S. HRG. 101-234

DRUGS IN FEDERALLY ASSISTED HOUSING

HEARING

BEFORE THE

SUBCOMMITTEE ON
HOUSING AND URBAN AFFAIRS

OF THE

COMMITTEE ON
BANKING, HOUSING, AND URBAN AFFAIRS
UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

S. 566

THE NATIONAL AFFORDABLE HOUSING ACT

TO AUTHORIZE A NEW CORPORATION TO SUPPORT STATE AND LOCAL STRATEGIES FOR ACHIEVING MORE AFFORDABLE HOUSING; TO INCREASE HOMEOWNERSHIP; AND FOR OTHER PURPOSES

JULY 20, 1989

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DRUGS IN FEDERALLY ASSISTED HOUSING

THURSDAY, JULY 20, 1989

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS,
Washington, DC.

The subcommittee met at 1:20 p.m., in room 538 of the Dirksen Senate Office Building, Senator Alan Cranston (chairman of the subcommittee) presiding.

Present: Senators Cranston, Graham, D'Amato, and Pressler.

OPENING STATEMENT OF SENATOR CRANSTON

Senator CRANSTON. This hearing roundtable will please come to order.

I thank all of you for your presence as members of the panel and others who are interested in what we are doing.

This afternoon we consider the national crisis of drug-related crime that is having a devastating impact on far too much of the Nation's federally assisted housing, housing that is privately owned as well as housing that is publicly owned.

The epidemic of illegal drug abuse is of enormous consequence for national housing policy. Virtually no segment of our society has completely escaped the scourge, of course, but our low income housing is affected most profoundly.

Daily we hear reports of open drug markets, heavily armed drug dealers, shadow buyers, and violent death. Much of our affordable housing is being lost due to traffic in illegal narcotics. Drug-related violence is stultifying the lives of the vast majority of residents who are not involved with drugs in any way and who are struggling to live decently and to raise their children with hope for the future.

Far too many Americans live in daily fear for themselves and their children, a constant fear that simply should not be part of life in our country. While the problem is often identified with public housing, private owners of housing are also finding themselves overwhelmed by the problem.

It can take as little as 6 months for a project that was drug free to be overrun by dealers. Once drugs have taken root, crime increases, maintenance becomes difficult or impossible, and tenants begin to vacate.

Only forceful intervention can stop that process and regain this housing as a decent place to live. I am determined to do all I can to provide decent affordable housing for all of our people, and that

must include effective action to eliminate the drug traffic from federally assisted housing.

The problem with drugs in federally assisted housing has been among the most hotly contested issues facing this subcommittee during the last year. The subcommittee contributed provisions dealing with drugs in public housing to the Anti-Drug Abuse Act of 1988. This can only be a first step toward a problem that is not yet resolved.

The Congress and the executive branch must take well-considered, concerted action to build on the Anti-Drug Abuse Act.

I commend Secretary Kemp for his attitude to this problem. He has focused on eliminating drugs from public housing. This is a monumental, deadly serious task. I pledge to work closely in cooperation with him. The Department of Housing and Urban Development must have the ability to wage an expanded war on drugs.

Our discussion today will explore not only the nature of the problem, but also the possibilities for effective legislative remedies.

We are fortunate to have the participation of such excellent panelists. Our witnesses have personal experience with attempts to eliminate drugs from federally assisted housing.

Our witnesses include private developers, public housing authority directors, a Legal Aid attorney, a police officer, a representative of the ACLU, the head of the Community Patrol Organization, a State housing official, a tenants' representative, a drug treatment service provider, and a mayor, all of whom have been at the forefront of the war on drugs.

Mayor Richard Daley of Chicago may also drop by briefly during our session.

So a rich diversity of perspectives on the drug problem is represented around this table. I am grateful that each of you has agreed to participate, and I thank you for that.

I am hopeful that you will provide us not only with insight, but with practical suggestions for legislative action.

This is the fifth roundtable hearing the subcommittee has held. Many participants in earlier roundtables have said that this format provides a more useful discussion of ideas among witnesses and subcommittee members. Roundtable discussions have proven to be most helpful when they bring out areas of disagreement as well as points of agreement.

I encourage each of you to be forthright about any differences of opinions. It is most helpful when we explore differences so we can figure what seems to be the wisest course. I know there cannot be total agreement and there should not be at this stage.

I also urge you to be brief in your comments so that everyone has a chance to participate fully. We have much ground to cover in a short period of time.

Before we start, I have a statement from Senator Pryor for insertion in the record.

[The statement follows:]

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SENATOR DAVID PRYOR

STATEMENT BEFORE THE HOUSING SUBCOMMITTEE

OF THE

SENATE BANKING, HOUSING AND URBAN AFFAIRS COMMITTEE

HEARING ON DRUGS IN FEDERALLY-ASSISTED HOUSING

JULY 20, 1989

MR. CHAIRMAN. I commend you for holding this hearing on this problem plaguing public housing across the country, and I appreciate your giving me the opportunity today to submit a statement for the record.

When we think of the rampant drug problem that exists in many public housing projects, its effect on the elderly tenants is probably not the first thing that we think of. However, as the Chairman of the Special Committee on Aging, that is an issue of great concern to me. Almost one-half of all public housing units are occupied by older Americans. Those elderly residing in public housing are often poor, single women living alone -- in other words, they are among the most vulnerable of our nation's senior citizens. How many of them are prisoners in their own apartments, living in fear of the violence and crime that is going on in the hallways and stairwells of their buildings, and on the grounds around them?

It is impossible to pick up a newspaper or watch the local news without hearing about a drug-related crime -- it has almost become routine, an expected part of the news. I am afraid that Americans will become hardened to the horrors that drugs are inflicting on our society. The news focuses on the drug dealers, with their gold jewelry and guns, and their big, expensive cars. It is all too easy to say that those most victimized by the drug culture are those who are willing participants in it -- we might forget that there are innocent victims, people who want nothing to do with the drugs that surround them, but who are powerless to do anything about it.

I recently attended a hearing held by the Governmental Affairs Committee Permanent Subcommittee on Investigations on this same subject. We heard heartbreaking testimony that day from tenants of public housing whose lives were being destroyed by the drug warfare being waged in their buildings. One man, a resident of a project for the elderly and handicapped here in the District, told how the drug-related crime in his

neighborhood had found its way into his building. He spoke of vagrants sleeping in the laundryrooms, of prostitutes conducting business in the building, and of an 84-year-old neighbor being held up at knifepoint in her own apartment. One would think that buildings inhabited by the elderly and handicapped would not encounter these problems -- but they do. I believe this illustrates the extent to which these problems have spread -- and that no one is immune from the effects of the widespread use and distribution of drugs in our society.

What can we do in Congress to stop this? Clearly, we need more money -- for a strengthened police force and better security systems in the buildings, for example. Money, however, is not the only solution. Our legal system, with its overcrowded prisons and courts, cannot in its present state begin to contend with these problems. The lack of good education and decent job opportunities in many of the areas surrounding the besieged housing projects is another problem. It is a sad day when we read in the newspaper about elderly tenants in a Chicago public housing project who must pay gangs for protection so that they can use the project's elevators, and wonder what we can do about it. The Subcommittee will hear from a host of witnesses today who will help us begin to address these issues.

Again, Mr. Chairman, I congratulate you for convening this hearing. Drugs are not the only problems besetting federally-assisted housing, but they are certainly one of the most devastating. As Chairman of the Aging Committee, I would welcome the opportunity to work with you and other members of the Subcommittee on those issues affecting elderly tenants of federally-assisted housing. The concerns that will be raised here today are not going to go away. In the virtual absence of new housing production over the past several years, growing numbers of Americans are "aging in place" in public housing. Mr. Chairman and Senator D'Amato, your efforts to rejuvenate the federal role in housing in this country are commendable. I am confident that with both of you in a leadership role, we will see a rebirth of our commitment to providing housing to our nation's needy.

Thank you for giving me the opportunity to submit this statement.

Senator CRANSTON. So let's begin the discussion, and let me start it by simply throwing out this general question.

Each of you has had hands-on experience, as I indicated, with drug abuse and drug-related crime from very different perspectives. I would like to start the discussion by going around the table and have each of you state, on the basis of your own experience, what you feel is the most significant change in the problem in the last few years and what do you feel is the trend that we as a nation must be most concerned about.

Please keep your answers to 3 or 4 minutes. We will try to go around the table, but if anybody wants to comment at the outset, if somebody wants to say either "I agree" or "that is crazy," that would be fine.

May I start with you, Mr. Armstrong?

STATEMENT OF ROBERT L. ARMSTRONG

Mr. ARMSTRONG. My name is Robert L. Armstrong, executive director of the Housing Authority in Omaha, NE. I am also representing the National Association of Housing and Redevelopment Officials.

To answer your question, Senator, I think the most significant change that has occurred in Omaha and throughout the country is this gang problem that we have along with the cocaine and crack business. We have found in Omaha over the last 2½ years that we have been invaded, if you will, by gang members from Los Angeles, CA who have taken advantage of those young people who were vulnerable—lacking those good things that they can get by selling crack and cocaine.

We found that they started to intimidate, and harass the residents because they had access to weapons and lots of money. Our residents were almost imprisoned by the activities of these young gangsters and hoodlums.

The problem had grown over the years, primarily because public officials denied that it was occurring. Now that we know that the problem exists, all of us in the housing industry see the need for additional funding to help us try to resolve it. We are hoping that whatever moneys we do get will not be attached to the existing funds, primarily because we already have a use for those funds.

Senator CRANSTON. Thank you very much.

I should have indicated Mr. Armstrong is an extremely effective director of the Omaha Public Housing Authority. Thank you very much.

Next, Richard Baron, president of McCormack, Baron Associates, Inc., of St. Louis.

STATEMENT OF RICHARD BARON

Mr. BARON. Thank you, Senator. I am pleased with the opportunity to be here today.

We have been developers for about the last 10 or 11 years of a number of housing complexes in different cities around the United States, in very distressed inner city neighborhoods. We also manage public housing under contract and have done a lot of con-

sulting work with tenant organizations and have trained many tenant groups over the last 15 years or so.

I think that the obvious influx of drugs in the cities throughout the United States and particularly into publicly assisted housing has certainly increased, and the intensity of it is far greater today than it has been. But the problem of drugs has been an issue in public housing certainly for the last 20 to 25 years that I have been associated with it.

The real question is how to craft solutions for trying to isolate the situation at specific sites and how to develop a broad-based kind of program that obviously has to involve a lot of the activities that I am sure we will hear about here this afternoon. They require funds, but they also require a change in management techniques, and I think more fundamentally than that a recognition that public housing complexes in many cities around the country are probably some of the most dysfunctional neighborhoods that we have in terms of the kind of traditional social structures that you generally encounter in working neighborhoods.

Because of the high incidence of single family households and the lack of security and the lack of controls and entrance points, you obviously have the opportunity for this kind of thing to exist where it wouldn't exist in other neighborhoods where you have neighborhood organizations or you have some social structure and community organization operating.

So you start with the proposition of having many, many distressed neighborhoods which are just absolutely prime for drugs, and when you couple it with sort of an amorphous notion that public housing and federally assisted housing needs to be the housing of last resort in the community and everybody is putting pressure on both the housing authorities who are not-for-profit or for-profit sponsors of low income housing to handle families with housing needs, you have the kinds of pressures that have allowed the tenants to come in without any screening with any kind of traditional private sector approaches in terms of police checks, rent checks, home visits, and other things that have been done for decades in this country in stable multifamily complexes and which need to be done if in fact there is going to be any kind of real management solution to the problem of drugs.

I will get into more of these later on today, but I would say as a general overview that is kind of how I look at the problem and what might be done about it.

Senator CRANSTON. Thank you very much.

Mr. Richard Bowers is the director of the city of Jacksonville Department of Housing and Urban Development. We welcome you.

STATEMENT OF RICHARD BOWERS

Mr. BOWERS. Thank you, Senator. I am very pleased to be here.

Jacksonville has experienced exactly the kind of problems that the previous speakers have discussed. We can date our problems in terms of the increase in drug traffic to June 1987. Our experience has not been with west coast gangs. Our experience has been with gangs coming up from south Florida.

Senator CRANSTON. What happened in June of that year?

Mr. BOWERS. In June 1987, we experienced crack and cocaine that began to come into our community on a significant basis. It was brought primarily by people from Dade County and south Florida, though that is not true now. Our people are apparently part of the network, also.

Since that point, our vacancies have more than doubled. We simply cannot keep units boarded because people wish to break into empty units to steal the aluminum on not only the window screens and window frames to sell that for crack cocaine.

It extends beyond just public housing. It also impacts our section 8 communities. It also impacts the total community, in that we are at a point where the public utilities people will not come in to service stations in high crime areas for fear of being shot at.

We have just had to increase the coroner's budget because one out of every four murders in Jacksonville is related to the crime. We are simply standing up in the halls. We had to hire new coroners.

For a city that didn't build a jail since 1956, this year we are building three jails, and the impact of this, while it focuses primarily on public housing, is felt throughout the community and throughout the government structure.

One quick anecdotal thing—I would like to speak more later—there were 10 adolescents who were sentenced for murder last year, found guilty of murder in Jacksonville. Of them, five of them were public housing residents, and of those five they were all drug-related incidents.

Senator CRANSTON. Thank you very much.

Next, Andres Garcia, director of the city of Buffalo Division of Substance Abuse Services.

STATEMENT OF ANDRES GARCIA

Mr. GARCIA. Thank you, Senator.

I would like to mention that I was raised in a housing project. I lived in housing projects all my life. So I have got a perspective on the problem from both sides, from the inside and from the outside.

There is no question in my mind that the drug abuse problem in the housing projects is devastating and more difficult to deal with. That is because the drugs we are dealing with today are more devastating, too, crack and cocaine. You are dealing with violence. You are dealing with people whose behavior is erratic, and their behavior is very difficult to change.

The cocaine and heroin that we are finding on the streets is at least 10 times higher than it was 10 years ago.

An alternative to drug abuse to these people is a more difficult one when you have got kids, 10, 11, 12 years old, who are making $200, $300, $400 a day. Drugs also empower people. Poor people in communities are isolated. They feel totally powerless, and when you can stand on the corner and sell drugs, you feel powerful. The opportunity to have things, things they never had, is there when you are doing drugs or selling drugs.

However, I do believe that we have the tools available to eliminate this problem; if not eliminate the problem, at least decrease the problem. We have been able to do that by utilizing the State

and the Federal Government resources, the private sector and the tenants, and I would like to speak more about that later.

Thank you.

Senator CRANSTON. Thank you very much.

Next, Wade J. Henderson, associate director of the ACLU.

STATEMENT OF WADE J. HENDERSON

Mr. HENDERSON. Mr. Chairman, thank you for inviting us. I would like to focus my comments this afternoon on a very narrow element of the agenda you have set out for our discussion, and that is the eviction procedures which are currently being explored by the Department with respect to public housing tenants.

Before I address that issue, though, let me just simply for the record state that the comments of the preceding speakers continue to reinforce, at least in my mind, the complexity of the problem that brings us to the table today. Certainly, the American Civil Liberties Union is not unmindful of the larger problem faced by public housing tenants and public housing authorities in trying to establish safe environments, clean environments, decent environments where people can live, and that is an overriding concern that we, too, share.

At the same time, I think as your comments state so correctly in the agenda accompanying today's meeting, I am concerned about constitutional rights for those in public housing, as well as the rights of the public at large to be informed about decisions being made by the Department governing these matters is a fundamental bedrock concern that we have got to address as well.

We are particularly troubled by one aspect of the current eviction program being initiated by the Department in conjunction with other efforts which I think ought to be discussed today, and that is an attempt to dispense with the administrative grievance procedure which is currently required by both statute and regulation in providing for an opportunity for a fair hearing persons who might be subject to eviction from public housing. An attempt is currently being made, we believe, to eliminate most of those grievance procedures and to allow public housing authorities to take eviction cases directly into State courts, and as a general matter, while the existing regulations have provided since 1983 the authority for HUD to do that, we have two particular problems with that approach.

First, we think that the absence of notice and comment for tenants who would be affected by these procedures jeopardizes the due process interests which these individuals have, and we think that notice and comment is required but we don't think that that in any way jeopardizes the ability of HUD to proceed with its proposed program. We think it is only fair to take into account what individual factors might mitigate against using the State court system in the eviction procedure.

I would point out as well that in the preamble to HUD's regulations, which were issued in August of last year, even the agency itself acknowledged the value of tenant comment on these matters and set forth a pronouncement of why these issues would be important to consider, and I have cited them in my testimony.

The second consideration from our standpoint is the effect of the accelerated eviction procedure on innocent family members, persons who themselves have not engaged in any criminal related activity, persons who have not been implicated in criminal activity, but persons who would be subject to the severe sanction of being evicted from their apartment because they, too, happen to be residents in a unit that has been targeted for eviction.

I cite several stories in the context of our testimony of persons who have been caught in this almost Orwellian result caused by the quick effort to rid apartments of persons who may be suspected of drug-related activity.

In the case of a 65-year-old grandmother in Omaha, NE, it was particularly troublesome, given the fact that in this instance the woman was likely to be evicted because of her grandson having engaged in criminal drug-related activity. The grandmother had made an effort to bar her grandson from living in the apartment, yet the administrative authority proceeded with the eviction process.

Fortunately, the courts intervened and prevented what would have been a fairly significant injustice from occurring. She had four other grandchildren living in the apartment with her.

There are other stories which reinforce that problem, and we think that is a concern.

Those two issues we think can be addressed, and what we would hope is that in the context of today's discussion one of the things which might be examined is the recent congressional action which was taken as part of the emergency supplemental appropriation, in which a provision was added to that legislation which looks at some of these issues.

We think that there is a way that collectively, with the agency, with tenants, with civil rights groups, and with Members of Congress, we can work out an effective approach to the problem that HUD has tried to identify, and that is a cumbersome process that might in some way slow down what would otherwise be the need for timely eviction. We don't think that is justified. We agree that that needs to be addressed if it is a problem, and we would like to be a part of that effort to seek a solution.

So with that, I hope that my full statement can be inserted as part of the record, and I look forward to questions and answers.

Senator CRANSTON. Thank you. Your statement will be part of the record, and you are involved in the process.

I want to welcome Senator Graham of Florida, who has been an active participant in the process. We are on our way around the table, Bob. Do you wish to make a statement?

Senator GRAHAM. Thank you very much, Mr. Chairman. I have a statement that I would like to submit for the record.

STATEMENT OF SENATOR BOB GRAHAM

Senator GRAHAM. Mr. Chairman, thank you for holding this hearing today on drugs in public housing. You have assembled a knowledgeable panel that will, no doubt, provide us with a clear picture of the narcotics problem in our housing projects. But more

importantly, I am counting on our panel to help us create solutions to these problems.

As we hold this series of summer hearings on the National Affordable Housing Act, I think it is critical that we include the issue of drugs in federally subsidized housing as an integral part of our agenda. I am particularly pleased to welcome Dick Bowers, director, city of Jacksonville Department of Housing and Urban Development. Dick will recap the problems he's seen in Florida, and relate to us some of the answers Florida's developed to attack drug sales and use in subsidized housing.

This issue is not new. Congress addressed drug use in Federal housing specifically in the 1988 Anti-Drug Abuse Act. We passed legislation requiring termination of tenancy for residents of public housing if they engage in drug-related crimes. We created a pilot project to make grants available to public housing agencies in order to eliminate drug crimes. These provisions targeting public housing and drugs were meant to carry out a simple principle—the principle that decent affordable shelter is a basic necessity, and people who live in federally assisted housing deserve safe, drug-free communities.

Mr. Chairman, I hope this hearing will help bring us closer to achieving this principle.

Thank you, Mr. Chairman.

Senator CRANSTON. We now go to Inspector Edward J. McLaughlin, commanding officer of the South Police Division of Philadelphia.

STATEMENT OF INSPECTOR EDWARD J. McLAUGHLIN

Mr. MCLAUGHLIN. Thank you for having me here, Senator. I agree that the drug problem is increasing, but I believe that those of us who understand the devastating effects of cocaine and crack, both specifically and physically, are not surprised. It was predicatable. However, in answer to your question about the most significant change, I am excited by the growing sense of neighborhood outrage over kids dying and getting caught in the cross-fire of warring drug gangs. This outrage is fueling meetings, such as we are having here, and other such attempts at reaching new and innovative solutions to the drug problem. The change I see is that neighborhood residents are starting to recognize that the drug problem is a community problem, not just a police problem. The willingness of residents of inner-city blocks to join with Philadelphia's Direct Truth Anti-Drug Coalition and March [1,000 strong], to some of the most serious and dangerous drug sales locations and hold all-night vigils, all in partnership with area police, is testimony to a significant change in the attitudes of the traditional "victims" of the drug problem. People are acknowledging that the drug problem started in the neighborhood and we must retake the neighborhood, block by block, so that we can restore peace and safety; but more importantly, to stop the cycle of feeding our children into the drug culture.

I celebrate community activism as the most significant change in the drug crisis and I would like to speak more about this subject later in our meeting.

Senator CRANSTON. Thank you very, very much.

We have been joined by Mayor Rich Daley of Chicago, who is in town today on matters related primarily to housing, and I invited him to drop by just to briefly address us and join this effort.

We are discussing primarily the problem of drugs and crime in public housing, and we welcome a few remarks from you, Mr. Mayor.

STATEMENT OF MAYOR RICHARD DALEY

Mayor DALEY. Thank you very much, Senator. I am happy to be here to see what you are doing on behalf of housing in America.

I come just elected as the mayor a few months ago and also with another perspective as a prosecutor in Cook County dealing with the problem of drugs. I have seen what drugs are doing to specifically the public housing and to the cities and the people across this country with Vince Lane, who is chairman of our Chicago Housing Authority.

Unfortunately, over the years public housing in Chicago has taken a bad rap. People laugh about it. They look down on public housing, but Vince Lane and I are committed into turning the attitude around in Chicago and making a commitment, from my viewpoint as mayor, from police, fire, and city services, providing services that he needs to change public housing around in the city of Chicago.

One of the most serious problems is drugs. I don't care where you go in this country. Until this country decides to do something about it, we don't have a chance in the cities to help a young child to come up and not to receive—I call it a temptation, not a demand—a temptation to drugs. Until this country decides—not wars, because you can't win wars in this country—but to provide strong leadership and say to the rest of the world we don't want it, there is no demand, we are going to keep it out, and we are going to provide the resources necessary, because every time we turn around in the city and we flush out drug dealers, which Vince is doing in one housing development, they move to the next, and they keep moving around, and we are trying to take public housing, especially the high-rises, secure the first floors and make sure that the only building in the city of Chicago that is open 24 hours a day and 7 days a week to anybody who can walk in there, and that is why Vince with the city's resources commit police and get the tenants involved in the responsibility of making it a community atmosphere.

Drugs have been my personal interest over the years, and I would hope that this administration will do everything possible to keep it out. If they don't, I have passed more laws in Illinois, I have prosecuted more people, we incarcerated more people, but the day that the laws allow someone to import 10 tons of cocaine in the street the same way as a person caught down here in Washington, DC, selling 4 ounces of coke—they are treated the same way. It is not fair. We see discrepancies in Federal and State laws. The major dealers walk away. The smaller dealers are caught. Until this country decides to incarcerate these individuals, take all their money away, we have got a long way to go.

I firmly believe there are four world powers—the United States, Russia, China, and the dope dealers. They have more power. They can corrupt anybody from Cuba, they can corrupt this country, they can corrupt anyplace. They can go after a former Justice Department official from Colombia who is back behind the Iron Curtain and shoot him down in the streets, and I would hope that this administration can really make a commitment to keep the drugs out of this country.

Thank you.

Senator CRANSTON. Thank you very much, Mr. Mayor. It is very helpful to have you join us.

I would like to ask Vince Lane, who is the chairman of the Chicago Housing Authority, for not more than 3 minutes, if you can tell us what you are doing on the front line in regard to drugs.

One thing that has impressed a lot of people is that he just became head of the Chicago PHA and that he summarily fired about 200 heads of particular projects or buildings in public housing who were not doing the job. So he has got the attention of people, and they are now trying to do the job.

If you could speak very, very briefly.

Thank you for coming by.

STATEMENT OF VINCE LANE

Mr. LANE. Thank you, Senator Cranston.

In Chicago, I have been in the job now for about a year as both the chairman and the chief operating person. I realized early on, just as Mayor Daley has said, I couldn't begin to talk about good management practices until we literally had control of the buildings because I found that our janitors and our maintenance people couldn't enter the buildings. The gangs were in control. When the elevators were working, they would charge these young, helpless mothers 50 cents in order to take groceries up to their apartments. They would set curfews on the building, literally, prohibiting anyone from entering or leaving for hours at a time.

Senator CRANSTON. Why would they do that?

Mr. LANE. Because they were going to have some kind of major transaction take place or some kind of their own little conferences between or a war amongst gangs. Literally, the children could not play in the playgrounds.

So my approach is kind of multifaceted. One, you have to have the buildings. You have got to get the buildings back.

I joined with the Chicago Police Department Superintendent, and we literally sent in about 75 or 80 Chicago policemen and CHA employees. We take the building back. We go apartment by apartment, inspecting the apartments for unauthorized occupants. We inspect the apartments for illegal contraband and weapons. Then when we complete that process, we can secure the ground level of the building, actually creating a lobby and a single entrance. We issue photo ID cards to all of the legitimate residents and place 24-hour security on the building on that one point of access and set up a guest sign-in register.

So we now have a situation where we can control access to the building. What does this do?

The drug dealers don't really like you to know who they are, and when the police are after them they can no longer run into a building and enter one of maybe 200 apartments. So it gives the police a better opportunity to try to apprehend them using conventional police techniques.

So that is our enforcement part of the program, but it is more than that. Then you have to deal with some of the young mothers and the people who are literally hooked on drugs. We are trying to get them into treatment programs, and in addition to treatment programs, we are trying to deal with prevention because unless we stop these young kids from feeding into this pipeline into the drug world we really will have lost the war.

So we are working with Operation Data, where we try to talk to fifth and sixth graders in the public schools to teach them how to say "no" to gangs and to drugs, and once we secure a building we are trying to get the private sector involved again. That is churches, private corporations, and other organizations who are willing to help, but before they can help the environment has to be made safe.

We are doing that in Chicago, and hopefully this September we will have taken one of our worst developments and made it a safe and decent place for the mothers and the children of public housing in Chicago, and I think when we demonstrate to the broader American community that even though it requires billions to fully rehabilitate public housing, you can with good management make a statement and make life livable with the resources that we have available now and until we can find the funding to upgrade public housing.

Thank you.

Senator CRANSTON. Thank you very, very much.

OPENING REMARKS OF SENATOR PRESSLER

Senator PRESSLER. Mr. Chairman, may I add?

I very much appreciate hearing this. I have long been concerned about this philosophically. I think what you have said is very true, but also in addition to funding it we have to take certain steps that may fly in the face of some perceived traditional liberties.

For example, a few years ago we had a fight on the Senate floor about a national identity card, something I am very much in favor of, and several groups opposed this, saying it was a violation of civil rights and all this kind of thing, but I think the kind of thing you are saying is exactly what I believe. In the fight on drugs we are going to have to take a look at some of the basic things about carrying identity cards, which you are requiring people to do apparently in some of these buildings.

Mr. LANE. Yes, we are.

Senator PRESSLER. I thank you very much for your statement. It is a two-part thing. It isn't just funding these things. It is also making some changes in our constitutional liberties system so the police and authorities can do something about some of this.

Mr. LANE. That is exactly right, and I might add, Senator, that we and I was sued by the American Civil Liberties Union of Chicago—because I have no interest in violating the rights of residents

either—but we have reached an accommodation and we have specifically spelled out procedures with which we will carry out these inspectional sweeps of our buildings, and I think that program is still effective, and the ACLU has not found our issuance of photo ID cards to be a violation of our residents' rights.

Senator PRESSLER. I am a cosponsor of Senator D'Amato's amendment to restore the antidrug abuse laws in these public housing projects, and I think that we need to approach this problem on a number of levels, and I thank you very much for your statement.

Senator CRANSTON. Because we have a somewhat different point of view on this from Mr. Henderson, we are now about to initiate a discussion, which is the purpose of the roundtable setup.

Mr. HENDERSON. Thank you, Mr. Chairman.

I would like to respond to Mr. Lane and to Senator Pressler in light of the fact that the ACLU of Illinois has been mentioned as a part of the attempt to work out a solution to the problem of drug-related violence in Chicago public housing.

I must say that the approach that Mr. Lane has outlined is one which certainly comports with the ACLU's view that an aggressive self-help effort, using law enforcement resources to the extent that that is necessary to establish an element of control in public housing, may indeed make some sense.

At the same time, I would take issue with the notion that fundamental constitutional liberties must first be sacrificed in order to achieve the objectives that Mr. Lane has set forth and that we in fact share.

The program which Mr. Lane outlines is not contingent upon the availability of national ID cards or the use of photo ID cards to ensure that persons who indeed have the right to be in public housing are there.

Senator PRESSLER. I thought he said that they had photo cards.

Mr. HENDERSON. Indeed, he does. He mentioned that that is one of the elements that he is using in his overall program, but he mentioned a number of things.

Senator PRESSLER. What about that? Did I not hear him say that?

Mr. HENDERSON. Indeed, he did.

Senator PRESSLER. You said he didn't say that.

Mr. HENDERSON. No, Senator Pressler. What I said was that that is not the contingency or the essential element that makes the overall program work. All we are suggesting is that to the extent that there is a concern about fundamental liberties—and I think we share that in common—we think that the Bill of Rights and the Constitution have served us well for 200 years and we would like to continue to see those values play the role that they have played in shaping our fundamental democracy.

At the same time, we think that that is not incompatible with trying to achieve the kind of solutions for establishing control and setting forth a program that works in public housing. It may, however, require additional resources beyond those which have been allocated for that kind of effort heretofore, and part of the effort involves dealing with the over 70,000 vacant public housing units nationwide and trying to establish a level of control involving the use

of police forces, both within the public housing authority and the municipalities.

All I am suggesting, Senator, is that at this stage of the process looking at other options that work may be an approach that might in fact preserve the Constitution and at the same time achieve the result we both would like to see.

Senator CRANSTON. Mr. Henderson, I take it that you do not necessarily find objectionable ID cards for the residents of a specific building, but you have a grave question about national ID cards?

Mr. HENDERSON. That is right, Senator. I also think that the fact that our Illinois affiliate has worked with the public housing authority in Chicago in an attempt to work out a solution that makes sense, that is effective, and at the same time preserves liberties is the kind of approach we would like to see fostered in other contexts.

Senator CRANSTON. Thank you very much.

Any other questions to be posed to Mr. Lane?

[No response.]

Senator CRANSTON. If not, we thank you very much, you and the mayor for being with us, and keep up the good work.

The next person, going around the table, is another mayor, James P. Moran, Jr., of Alexandria, VA. Thank you for being with us.

STATEMENT OF MAYOR JAMES P. MORAN, JR.

Mayor MORAN. Thank you, Senator.

To address your original question, which was what do you think is the most significant change in the problem in the last few years, clearly it is that the prevalence of drug abuse is much more widespread and the crime associated with that abuse is much more violent. While drug use, however, is a problem nationally, the street dealing and the associated violence is not a problem in the vast majority of communities across this country. It is a constant, immediate problem in virtually every public housing community.

The reason for that is the same reason that most public housing communities are immediately identifiable, and that is that the residents of public housing communities do not perceive that they can control their environment, that in fact things are out of control, and that is why most public housing communities—certainly not all, but far too many—in fact invite crime. They invite crime because of the immediate perception that you have graffiti on the walls and you have auto carcasses in the alleys and you have litter and screens hanging out of windows, and the like, all of the very visible indications that people don't care, that the people responsible don't care enough to maintain this community.

Those are the communities that invite crime, and that is largely why we have a disproportionate incidence of violence and drug dealing in public housing neighborhoods.

I think we need to focus on why that is the case, on why, in fact, in my opinion, the worst absentee slum lord in the country is the public housing authority generally. That is what we need to address.

I think if we can address that adequately we don't need to get into the more extreme measures of the clearing out of entire buildings and having photo ID cards if you are going to be able to enter a neighborhood. The fact is that these neighborhoods are out of control, that the tenants' perception that there is not much they can do about it is an accurate one. Perception in this case has become reality, and why that is the case I would expect we will discuss as our dialog continues further today.

Senator CRANSTON. Thank you very much, Mr. Mayor. We have been joined by Senator D'Amato of New York, the ranking member of the Housing Subcommittee and coauthor with me of the housing bill that we are considering.

Al, do you have any remarks at this stage?

OPENING REMARKS OF SENATOR D'AMATO

Senator D'AMATO. Mr. Chairman, I am delighted to see such a wonderful turnout. I am particularly interested in the experiences of those who are on the battle line, such as Mayor Moran, who is doing an exemplary job, or he has got his housing authority doing a wonderful job.

Mayor MORAN. Thank you, Senator.

Senator D'AMATO. You have gone in and availed yourself of the ability of those provisions under the law to get rid of those people who are dealing drugs or who have people in their buildings dealing drugs.

Am I not correct?

Mayor MORAN. That is correct. We have evicted almost three dozen families now as a result of drug dealing within that housing unit.

Senator D'AMATO. Has that made a substantial difference, Mr. Mayor?

Mayor MORAN. It is making a difference. It is going to have a long-term salutary effect. We are confident. The police tell us that they are much more cautious about the blatant drug dealing that goes on now, about even giving their address, because they know that their housing is jeopardized if they do, and the community has a sense that the Government may actually be on their side.

There has to be a perception, and it has to be a real one, backed up by a commitment on the part of the Government, that Government can and will act rationally, act according to common sense and in an immediate way, so that when somebody violates the law they are going to jeopardize something that is of value to them.

Senator D'AMATO. You know, the drug problem exists in all segments of society, but particularly in our public housing because it finds a vulnerable population. It finds one that is without the ability to get or to command public and political attention or action. Consequently it is one that is vulnerable because they are afraid.

Stand up and speak out and see how long before the young toughs and punks begin to terrorize you, your children, or your premises. It doesn't take much. It doesn't really even take an assassination. Many acts of brutality short of that bring terror to people, and somehow—and I believe it is by giving power to the community to help those tenants groups achieve the ability legitimately to

gain the reactions, whether it is the police or the city hall, to their problem, or the housing authority—we have got to give them that ability and let them know that we care and that we are concerned.

To that extent, Mr. Chairman, I know that Mr. Garcia, who is here—and I don't mean to break the train, but maybe at some point in time we will get an opportunity to get him to testify as to the work he is undertaking as a director of the city of Buffalo Division of Substance Abuse in public housing.

I think again no city is immune to it. I think most of the public housing projects today find the problem of drugs much more prevalent, much more virulent, and with an attitude of benign neglect. So often in so many of our communities that is exactly what the situation is. We don't want to see it. We don't know it. As long as it is not in my neighborhood, it doesn't matter.

If we can begin to make a difference in the public housing projects of America, I think we can say for the first time that we are really undertaking the battle. If we can begin to let the people know that if you are going to be using drugs or going to be dealing drugs that there will be certain consequences, people, whether they like it or not, begin to cease and desist, but if it doesn't make any difference and if we say virtually these are zones in which you can traffic drugs, lift drugs, that is exactly what they are going to do.

Thank you, Mr. Chairman.

Senator CRANSTON. Thank you.

Let's go around the table. I would like to jump ahead—and I will get back to you, Mr. Rose—but just let me go to Mr. Bruce Rozet in order to get a different emphasis as to what we are talking about. We hear a lot—and Mr. Lane can perhaps respond—on the issue of drugs being a particular problem in large hi-rise public housing projects in big cities. We know many of those projects have been out of control, but how is the problem affecting privately owned housing? In what types of housing beyond hi-rises can we find real major problems?

I know that Mr. Rozet has been a spokesman in that area, and I would like to hear from you at this point. Then we will go back to Mr. Rose.

STATEMENT OF BRUCE ROZET

Mr. ROZET. Thank you, Mr. Chairman.

Mr. Lane and I, by the way, share experiences of having tried to deal with drug problems in privately held housing as well as public housing going back many years, and I have complimented him on the miraculous job he has done in Chicago. He is a very capable professional, and we have shared many of these problems over the past 10 or 12 years.

But private housing is suffering exactly the same symptoms that everybody has described for public housing, I think it is important that we stop talking only about drugs in public housing and start talking only about drugs in all federally assisted housing and in fact in all housing where poor people live.

The reason——

Senator CRANSTON. It is everywhere, in business offices and factories, and so forth.

Mr. ROZET. In the last 2 years we have had a large growth in drug activity in privately owned housing. I think that growth is partly because the drugs have become less expensive and more prevalent. We have had drugs, as somebody said, for 20 or 25 years, but it is only in the last 2 years we have had the great growth of crack.

That has broadened the market and has made the housing projects of this country supermarkets for drugs. They have become supermarkets because the drug dealers find they are a lot more economical to open there than next to Saks Fifth Avenue. They move into the units and set up shop.

Our organization that serves as general partner for over 350 projects in the country, with almost 50,000 housing units in 39 States. We recently surveyed 8,000 families in those units and asked them what the drug problem was as they saw it, the tenants themselves. Over 61 percent of those surveyed indicated that drug activity in their housing development was high, and over 78 percent were aware of drug dealers operating on the property. Over 52 percent felt personally in danger from drug dealing or the use of drugs in their property.

In effect, these are all privately owned housing projects, and I am sure these statistics will be the same if we went to public housing projects.

The difficult problem that we face is that the tenants don't want the drugs. Everybody here has spoken how we don't want the drugs in the property, but if you read our survey—and, by the way, there is an interesting book we publish on that called Voices From the Front—and if you read the comments of the tenants, you will see they fear for their lives, but they want the drugs out more than we want the drugs out.

We have found that the main problem in private housing is that we have no resources. There is no resource available for the private owner to contend with drug traffic. All the discussion here today has been about the resources available to those of you in the public housing areas, but when, as Mayor Daley said, the drugs are driven out of the public housing, they will move across the street into the private housing, and then we are faced with a tremendously increased security bill which the economics of that project are not designed to accommodate. The owner will suddenly be faced with a $25,000 a month security and no income to meet that requirement.

Today HUD's policy is that it is the owner's problem. That is shortsighted. It is dangerous, and it is contributing tremendously to the deterioration of the public and private housing stock. There is no way that private owners can contend with the drug gangs that have infiltrated the property and can contend with the need for security and the need for maintenance.

It would be wonderful to be able to do what Vince is doing in Chicago—bring 75 police officers in, go through the units and inspect them and do all these things. As a private owner, that is impossible for us to do. We need the projects' budget for other purposes to avoid deterioration.

We must have a policy from the administration that addresses the problem promptly at the first sign of drugs and provides some form of resources so we can secure the property before the drugs

infiltrate to a point where there is no return. If we let it infiltrate, it will cost us many times more dollars to repair the problem and try to get the drugs out.

Our concern is that if we see drugs come into a property today, there is absolutely no alternative. The police departments can be cooperative, but we can't secure that property. As a result, we are forced to watch it go into decay and decline, and within a year it virtually is destroyed.

We need some budget line item so the HUD area office can step up and say we understand you have drugs on this property, we are prepared to do something so that will not continue and drugs can be eliminated.

Thank you.

Senator CRANSTON. Thank you very, very much.

Yes.

Senator GRAHAM. Could I ask a question?

I have been very interested in the discussion, and I want to commend the chairman for having given us this opportunity in this more informal setting. Sometimes I get the sense that the structured hearings are more a way for people to pass by each other rather than to really engage as we are engaging now.

I am getting a sense from several of the comments, including the mayor's comments, that we may have at least two different issues here. One is what I would call a habitability issue, the conditions of the housing itself, and the second issue is a security/law enforcement issue.

The mayor suggested that the decline in the quality of the habitation serves as a magnet or leads illegal activities to take place and then converts it into a law enforcement problem as the necessary response to deal with that circumstance after it has developed.

Is that in summary what you were suggesting?

Mayor MORAN. Yes, it is, Senator. I don't think that to treat this as a law enforcement problem that our police are primarily responsible for is an effective means of addressing it. It may be marginally effective in the short run. It will be a failure in the long run.

Senator GRAHAM. It would also seem to me that it is the responsibility of law enforcement to treat on an evenhanded basis within the resources that are available a criminal problem wherever it occurs; that is, if you had a drug distribution operation in a hi-rise on the Lake Shore or a drug distribution center in a public housing project on the East Side, that it would be an equal responsibility of law enforcement to respond.

Is that an accurate statement?

Mr. LANE. It is an accurate statement, but the political reality is that, again given the declining budgets, revenues in local municipalities, that is always reflected in an inadequate police force. When there comes a time to deploy policemen, they are going to be deployed on the lake front because those are voters who have the wherewithal in order to make their desires known, and usually public housing residents are really not empowered politically to do that.

So I will tell you, the chief of police is going to deploy them to whoever yells the loudest.

Ms. WHITE. Senator, if I can break in.

My name is Eleanor White, deputy director of the Massachusetts Public Housing Finance Agency.

It is our experience that a public agency needs to be that voice for the tenants. I couldn't agree with Mr. Lane more. The tenants cannot speak for themselves. They have been trying to speak in some cases for 20 years, and they have been ignored.

I think the challenge is in identifying those agencies that are willing to take that role, and I hope I will get a chance to speak about the role that we have taken.

HUD, at least in Boston, has not taken that role aggressively and in some cases has not been given the resources to take that role aggressively.

Senator CRANSTON. Thank you, Eleanor. I want to thank you for jumping in because I want to urge all of you, if you want to agree with something or disagree or expand, to come in even though we haven't completely gone around the table. Once we have gone around the table once, it is going to be more of a free-for-all.

Bob, do you have any more?

Senator GRAHAM. Just one.

You used the term "HUD in Boston." Is that the regional office of HUD?

Ms. WHITE. That is the regional office of HUD.

Senator CRANSTON. Now, we will go to Jay Rose, senior housing attorney for Greater Boston Legal Services.

STATEMENT OF JAY ROSE

Mr. ROSE. Thank you, Senator.

I have been a legal services attorney for 9 years now, the last 3 years in Boston, before that 6 years in Orlando, FL, and although I can't claim any connection to California, I was born in New York and educated there. [Laughter.]

I would like to shift the focus a little bit. It seems to me that the major change in the last few years has been in HUD itself. HUD is now, if not—clearly, it is part of the problem, and in Boston I would say HUD is the problem, and they are not part of the solution in Boston.

The real HUD scandal is not what HUD has done, but what they haven't done.

In Boston, the tenants that I represent, and at Legal Services we represent individual tenants who are being evicted, a lot of our focus and a lot of my work in particular is to work with the tenant groups in the HUD troubled projects, the HUD-insured, and in the recent past the projects that HUD is mortgaging possession and that actually manages, so both the ones they manage and the ones they supposedly monitor.

The tenants that I represent have the same problems as all poor tenants. They have got leaky roofs. They have got rats. They have got roaches. They have got bad wiring. But in the HUD housing in Boston, there is one real difference—vacant apartments.

But HUD has had a policy over the last few years that when they took over possession they did not rent out units on turnover. They said that was because they were going to turn it back to the

private sector soon enough and they didn't want to be responsible, that it was going to turn over real quickly.

But years have gone by, and in many of the projects—and I will talk about the specifics later—we have got 20 percent, 30 percent, 40 percent vacancy.

Putting aside the question of homelessness, we have got people sleeping on the street when those units are vacant. That is a crime in and of itself.

But the real problem is that the drug dealers move into those apartments. They are taking over those vacant apartments. So in many ways it is deliberate HUD policy that is causing the drug problem in the city of Boston.

We have got—it is either their policy or egregious neglect. The tenants know it is going on. HUD knows it is going on. In many ways, the managers know it is going on, and no one is dealing with it.

Senator CRANSTON. What do you think HUD should be doing?

Mr. ROSE. There were changes in the 1987 act that said this, but they haven't really done it. They need to fix up and rent out the units as soon as possible. I would say that there is no reason why within 60 days that upon vacancy they can fix it up and rent it out with the vacancy rates in Boston. Private landlords do it all the time. There are waiting lists. They don't have to worry about where they are going to get the people from. If they would just fix it up, there is no reason why the unit should be vacant for more than 60 days.

In Boston HUD is the worst landlord. HUD is the biggest slumlord. And when I say HUD, in some sense—I don't mean this personally—but it is the Federal Government is the biggest slumlord in the city of Boston.

There is no reason for that, and I think that it is HUD's neglect that has significantly contributed to the drug problem in subsidized housing in Boston, and when we come around later, I will be able to provide you specific situations and talk about three particular projects and what our tenant groups have done to try to correct that.

Senator CRANSTON. Why don't we stick to Boston for a moment?

Deputy director and chief of operations of the Massachusetts Housing Finance Agency.

Senator D'AMATO. Mr. Chairman, if I might, would you comment? Do you have anything to expand upon what Mr. Rose has said?

Ms. WHITE. Yes.

Senator D'AMATO. Have you found that to be basically the case?

STATEMENT OF ELEANOR G. WHITE

Ms. WHITE. Our experience over the past 3 years relates primarily to a package of up to 2,000 units of HUD held property called Granite Properties. HUD was disposing of these properties. MHFA was very interested in providing the financing for these properties in order to assure long-term public oversight over the next 4 years. We were very concerned about the prospect of gentrification in the Dorchester neighborhood of Boston. We were very concerned about

absentee landlords coming in and buying up this resource, milking the property, and letting it go after 10 or 15 years.

We have successfully, although I must say at great pain to us, dealt with HUD over the past 6 years in order to accomplish that transfer into MHFA financing.

In the process we started talking to tenants. The story that we got from the tenants was so extreme in terms of the level of neglect and mismanagement of this portfolio of units under HUD control that we were compelled to step far outside of our role as a housing finance agency—and we are basically a bank—to establish something called the Inner City Task Force, which is described in my written testimony.

This task force takes a multifaceted approach to the problem, talks about tenant education and treatment. It talks about evictions. We work very closely with Greater Boston Legal Services.

I share Mr. Henderson's concern about the issue of innocent members of families being evicted because in some cases there is a drug dealing teenager or drug dealing boyfriend connected with the unit. We have worked out solutions for that.

In fact, the partnership became so effective that the Greater Boston Legal Services provided training to the new managers coming in on how to successfully evict drug dealers. I don't know when that has happened before in the country.

We have looked to glitches in the judicial system that were preventing drug cases from being heard and people from being put away.

All of this kind of activity, which I can go into much greater detail later, was a direct response to the fact that we had innocent people living in 2,000 units in Boston in unspeakable conditions. The head of Inspectional Services for the city of Boston has called one of the projects that I believe Jay Rose will speak to as the worst place to live in Boston. We have little children falling through giant holes in the floors.

This is absolutely unacceptable.

One of the things that HUD could do is HUD could have sufficient staffing so that its very beleaguered staff in the regional offices have the wherewithal to monitor these kinds of developments.

MHFA has a portfolio of 50,000 units, so that we are in this business. Management is one of the things that we do, oversight of private owners of subsidized housing. Our staff people who do this job have a portfolio of between 17 and 20 housing developments, and we try to make sure that some of those are suburban, money-making, cream puff kind of projects, and some of them are difficult inner city kinds of projects. 17 to 20.

That same counterpart in the HUD regional office, I understand, has upward of 60 housing developments.

Now, you take a GS–11 servicing person in a HUD office and expect him to deal with 60 private owners who have intractable problems for a city like Mr. Rozet's with security difficulties, with nonpayment of rent, with physical deterioration. They can't possibly be providing the kind of monitoring assistance that we need.

And I would agree with Jay absolutely. I think it is unacceptable and it reflects poorly on the whole system.

Senator CRANSTON. Thank you very much for a forceful statement.

Finally, Eric Straughter, president of Straughter Associates, also from Boston.

STATEMENT OF ERIC STRAUGHTER

Mr. STRAUGHTER. What I would like to do is address it from the street level. I am not at the bureaucratic level, at least at this point. [Laughter.]

I think the things that I need to bring to the table, to bring everybody to awareness, are we need to look at what kinds of things actually happen in the housing developments that open the doors to drugs, that open the doors to the gangs, and why these kind of things happen.

Number one, drugs is a big business, and that is the way it operates. As any other major corporation in the world operates, that is the way the drug dealer operates.

So when you go after a drug dealer, it is like going after big business because these drug dealers are coming into homes and paying people $300 or $400 a day to use their apartment.

And the question you have to ask yourself is how does that tenant not accept that $300 or $400 when they may be getting $200 or $300 a month?

So that is one of the first avenues that the drug dealers have into getting into any kind of housing, and for me it is a community problem and not public housing versus subsidy or private. It is a community problem.

This is the way these drug dealers operate. The gang situation is based upon that we have turned our backs on youth. There was a time when the Government had untold numbers of programs that youth could get involved with. A lot of these programs, for different reasons, have been cut out.

Now, these gangs have come together as a sense of support and fellowship for each other and to carry that support and fellowship to each other because they have no one else to turn to. They get into the drug business for power because of course when you get a group of people together and they get into fellowship and they begin to console each other and they have the same major problems, the next step is how do I become more powerful than everybody else? And the way you do that in the streets nowadays is that you have to have money, and the way you get the money and the guns is through drugs.

I think those are some of the real basic things that we need to look at and address or try to find ways to address in terms of relieving some of the problems of gangs and drugs in the housing authorities, different housing developments in the community.

The other thing is the tenants are scared to death. They are actually scared to death to come out of their housing, to walk in their hallways because they are intimidated.

I have through MHFA—they have hired me to secure some of their properties, and I have men out in the street every night who converse with these tenants, who have confrontations, and I mean we get things back like the tenants are now opening up to us. They

are feeding us information which we are feeding to the police department, and I must say that one of the unique things about what is happening under the MHFA properties is that there is a strong bond between the security company and the police department. It is not a threat kind of situation. We understand our responsibilities as special officers on those properties. We sat down at the table. We worked out the guidelines, which is a yes and which is a no, for the security operation. We feed on a daily basis information to the police department.

Most of the police departments in this country are undermanned. They don't have the resources and they don't have the finances. So what our security company becomes for our police district is an additional arm where they get additional information. They get identification of cars and suspects and maybe apartments taken over, and those kinds of things.

And this is a trend that is going to have to be expanded upon because we can be there because we cost less. You can't put a police officer there that has to respond to so many people over a city or a district, but at least if they had an additional arm that wasn't a financial burden to the city, it would be looked at as a support mechanism, and I think that is on the solution end.

But in order to gain the respect of the tenants, they have to be involved, and they are tired of hearing lip service. They are not going to respond to lip service. They are not going to respond until they see some actual steps being taken and something serious is being done, and in a lot of cases over the years this has not happened, and I think that these are the issues that we need to look at from my perspective.

Mr. GARCIA. I would like to add something to that. You know, tenant participation is very important in dealing with this problem. You will be surprised at the amount of cooperation I have gotten from tenants in the city of Buffalo in dealing with this problem.

Forgive me for getting emotional, but the so-called war on drugs, there is nothing going on in these housing projects over the years until the problem became greater and greater. Now, we are acting in haste and in panic and we are sometimes developing policies at a Federal level without taking into consideration what kind of impact those policies are having on the local level.

Let me give you some examples of that. The eviction policy I think is a good policy. We might be able to put some of these major drug dealers out of the housing projects. Well, how do we protect the innocent people? For example, if you have got a 15-year-old in your family who gets busted, are you going to evict the entire family? If you evict that youngster, the entire family has to go out with them, and you are not going to deal with the problem then. All you are doing is removing the problem from the housing project and putting it right back in the community.

I would like to add another problem to the two that you mentioned. The other one is that we need to begin to develop programs to treat these people out there. If you take a look at the problem of the drug prevention programs across the Nation, all of them are filled to capacity. They cannot deal with this type of clientele,

which are more difficult to treat. If one is successful in developing the services, they will get one more.

The other problem that I see is that we are to a certain extent leaving this battle against drugs to the executive directors at the local level, and that is wrong because an executive director cannot be a landlord, a law enforcement official, and a drug expert, and in many instances they show a total lack of sensitivity and understanding of the public housing population itself.

HUD—and I understand—I have gotten nothing but cooperation from the local office from HUD in Buffalo. Every response that I have asked for, financial or otherwise, they will provide it to me. But HUD expends its resources in developing a public housing base. It is staffed by people that can convey knowledge to the tenants, but should be able to understand their problems. I believe this process would be cost effective.

In Buffalo we developed a unit at a local hospital just to serve public housing tenants for $150,000. We had a fifth floor rehabilitation unit that is going to serve for 10 years into the future, for the simple reason those services are eventually reimbursable, and those are the kind of initiatives that we need to develop to deal with the problem effectively.

Thank you.

Senator CRANSTON. Mayor Moran.

Mayor MORAN. Senator Cranston, on a number of occasions reference has been made to the eviction policy, particularly by my good friend Mr. Henderson. We have had previous discussions of this. I feel very strongly that if an eviction policy is going to work it has to include the entire family.

This provision that was put in the dire emergency supplemental appropriations bill is absolutely stupid. It requires that if you are going to evict a family there cannot be a member of that family that would be adversely affected if that member is not involved in drugs themselves.

So that guts the entire eviction effort.

Let me try to explain why I favor the eviction policy. I just hate to run counter to all these good liberals that normally I agree with, but I just can't follow the line of reasoning. As many times as I have tried with Mr. Henderson, we still seem to be on opposite sides.

Any society that is effective as a society has as its central element strong families. The basic source of structure and discipline within any society is the family. We have never had strong societies without strong families, and we cannot allow family members to enable their brothers or sisters or parents even, and certainly not children, to continue dependency, particularly drug dependency.

What we are trying to do is to rely upon the family element to control both drug dealing, and particularly drug dependency.

We had five communities in Alexandria in 1987 that really were under the control of drug dealers. One of them has turned around. One of those communities actually is no longer under the control of drug dealers.

Now, interestingly enough, and it is by no means a coincidence, that was the one community that was not a public housing commu-

nity. The other four were public housing communities. That private community insisted that the city government give them the support they needed.

We took police from behind their desks. We appropriated—in fact, we have more police per capita and per square mile than any other jurisdiction in the Commonwealth of Virginia. But we assigned those police to that neighborhood, and we told them they are going to be there on a long-term basis. Their responsibility is to get to know the neighborhood leaders and in fact to consider the neighborhood leaders their bosses. If the neighborhood feels that the most important problem is getting rid of the graffiti, carting away the abandoned automobiles, or getting code enforcement to approve the condition of commercial and residential buildings, that is their responsibility. So they are facilitators within the community, and they are acknowledged as such.

That is the most effective role our police have ever played if you look at the incidence of crime that has resulted in those communities.

Now, I want to emphasize, those five communities are exactly the same demographic statistics, but one felt that they were in control and exercised that control through a responsive city government. The other four didn't feel that they had any control, and that is why I said I think that public housing communities are really the worst absentee landlords that you have in any community.

That is unfortunate. That is not intentional, and we have some wonderful people that are associated with public housing, but the people that live there don't have a sense that they are under control.

It was their idea that we evict drug dealers, and they couldn't understand, it didn't make sense that if somebody is dealing drugs that the housing authority can't evict them, that the housing authority has to go through such a cumbersome administrative procedure that it is not worth it. It takes over a year to evict them.

That is why we went to HUD. I wouldn't have gone to HUD under Secretary Pierce. I am being very candid here. But there was a clear indication that Secretary Kemp was serious and that he took his responsibilities seriously and he was going to make some dramatic changes that were necessary.

My hat goes off to him. Both he and General Counsel Keating got into the guts of the issue. They agreed that it didn't make sense not to be able to evict drug dealers within some reasonable period of time. So we proceeded.

We have evicted 38 households that have drug dealers in them. We don't do it in an arbitrary way. We send in people that make controlled buys at least 2 or 3 times over a 2 or 3-week period. So we establish that this is an ongoing crack house. Then we get a search warrant. We execute the search warrant. If when we execute the search warrant the person is present, if the drugs are present and drug paraphernalia, we then—we usually repeat that.

Well, there are right now about 30 places where that has occurred. We have acted on them. It doesn't make sense that after you have that kind of information that government can't act responsibly.

Prior to the waiving of the grievance procedure, we could have had that information. We still probably couldn't have convicted anybody of a crime because you can't use—well, we don't have to go into why. The fact is you can't generally convict in any of those instances, and we would have had to wait until a person missed their rent payment to evict them because that was the only effective means of acting responsibly.

We need that waiver of administrative procedure, and we need it to apply to the entire family. If we do that, if we can weed out the families that are having the most effect upon those communities—one dealer in a community can drive out 10 other families or certainly discourage them from taking control—so if we can give a sense of control back to the tenant leadership within communities, then we will have the strength within that community to curtail crime and to ensure that that community does not serve as a magnet to the kind of drug dealer that generates the violence that we are trying to address.

Senator CRANSTON. Senator D'Amato has a question.

Senator D'AMATO. I am going to make an observation, Mr. Mayor.

I agree with you, I do not believe that section 404 of the supplementary was understood, certainly not by the person who put forth that legislation here in the Senate. The Senator has spoken to me. The aforementioned was not his intent. As a matter of fact, he cosponsored repeal of that just yesterday, and I will read it:

> As long as evictions of a household member involved in drug-related criminal activities shall not affect the right of any other household member who is not involved in such activity to continue tenancy.

So you can go to the absurd, where you can have five people dealing drugs and one person not, and therefore not be able to evict them. I don't think anybody really seriously intended for that to be the case. Yet that is what happened.

We have repealed that in the State authorization bill. If we go to conference with the House, hopefully they will accept that and not try to strike it down on a technicality. If not, I believe that Senator Mikulski in the HUD Appropriations Committee has indicated that it will be in that bill. We should never have taken that. It is one of those things that slipped through in the dead of night at conference.

The day before yesterday Senator Moynihan and I both introduced this. We had an opportunity to meet with Byron Hamilton, who is the president of the New York City Tenants Advisory Council. That is the largest public housing advisory council in the country. He made a very, very strong statement about responsibility as it related to the tenants, giving them that ability and saying certainly we have an obligation to be responsible for whoever it is, whether it is a guest, whether it is a child. It is ludicrous to stop the public housing authorities from being able to bring these eviction proceedings.

So I think we are going to deal with that. I don't think there are many groups who really would want to curtail the eviction of those people who are dealing drugs or who are allowing their premises to be used for drug dealing.

Again——

Mr. HENDERSON. Senator, I am sorry.

Senator D'AMATO [continuing]. I hope that you would make that clear, and let me say that I believe that this will be dealt with, if not in this bill, which we have adopted, then in other legislation. It is cosponsored by Senator Moynihan, Senator Dixon, and Senator Reed. So it is bipartisan support, and I would hope that before we adjourn we have this enacted so that the housing authorities will have the ability to carry out these evictions.

Senator CRANSTON. Mr. Henderson.

Mr. HENDERSON. I think we are joined in our view that persons who commit crimes, when persons cause a threat to the health and safety of other tenants, they should be subject to eviction. That is a standard sort of pragmatic, practical reality. When people are in fact committing crimes, they should be subject to eviction.

It seems to me the real question that we are talking about, which is, by the way, not a liberal/conservative dichotomy—those terms have no meaning in this debate—the question is what kind of procedure will we adopt with respect to governing eviction proceedings.

Now, there have been on the books since 1983 provisions for HUD to waive the administrative lease and grievance procedure under certain procedures. Part of what is required under those circumstances is to simply notify the tenants whose interest would be affected that this proposal is going forward and to seek their participation.

One of the reasons that is required is because the administrative procedure serves a fundamentally important component ensuring tenant due process first. We have found from our own experience that landlord/tenant courts frequently curtail procedural rights that would be available in other forms of judicial proceeding in other courts. It happens. All State court systems are not the same. They don't all guarantee the same level of due process. So you have to look at them independently.

New York, for example, does have procedures which make it clear when a tenant is in landlord/tenant proceedings they can request to have a copy of the landlord's file for purposes of conducting discovery. That is an administrative process that is a very important one.

The second concern we have discovered is that frequently tenants go to the landlord/tenant courts unrepresented, and the unrepresented tenant is at a substantial disadvantage and in many instances is up against the odds with respect to a genuinely fair hearing.

What we are saying here is that HUD can go forward using current law to address the need for waiving the administrative process where that is required, but it still comes back down to whether persons who themselves have not committed crimes, who themselves are not guilty of crimes, should be subject to a summary eviction procedure when in fact they constitute what we call innocent family members.

It is not so much a question—and, Senator, you have been very sympathetic in the past to the problems of persons in that circumstance—it is not a question of attempting to impute criminality to

these individuals or a level of control over their behavior. What we are saying is look at how the process works and see if we can reach a fair judgment.

Now, with respect to Alexandria, I am going to make a couple of points.

First, the Alexandria procedure, as was the first waiver granted, talks about the number of tenants that were summarily evicted. The Washington Post, which reported on that experience, noted that of the first 45 tenants to be evicted, 41 were targeted for eviction prior to the waiver process having gone into effect. The waiver process was not directly tied to the ability to expeditiously get people out of these apartments.

In Washington, DC, which was subject to a waiver, the public housing authority director testified before the local municipal council and made quite clear that the Federal procedure was not the difficulty. Local landlord/tenant proceedings in this instance served as a more significant impediment in resolving the expeditious removal of people committing crimes than any other requirement. Yet D.C. has now a waiver for drug-related evictions.

What we are saying is that if there is a need to speed up the process, we can sit down and reach a determination, which involves the tenants, which involves public housing authorities, and Members of Congress, municipalities. What we are not prepared to do under these circumstances is to sacrifice the constitutional interests and the rights of persons who live in public housing, to merely justify what to some degree is, yes, a very real problem, but one that needs to be demonstrated far more carefully than has been done heretofore.

Senator, you were very much involved in the drug program that was passed last year, the Anti-Drug Abuse Omnibus bill. There is a provision in that bill, as you know, section 5103, the one that you sponsored, that requires the Department of Housing and Urban Development to come back in a year after that law was in effect and to report to Congress on what problems exist in carrying out the mandate of that bill to expeditiously remove people from those apartments.

To the extent that that survey is conducted seriously, we will all obviously find that information useful. That requirement will be met presumably in November of this year, and what we are suggesting is until that information is available, until we have had the opportunity to do the kind of systematic inventory that we believe that current law and Congress is now requiring, the rush to judgment to waive the administrative lease and grievance procedure without tailoring that waiver, I may point out, to real drug-related activity seems far more excessive than the circumstance requires.

We are not attempting to impede that process, and if persons are in fact engaging in criminal activity, they should be evicted.

But the mayor mentioned one important point we have joint interest in, and that is the level of control, and establishing control in public housing units does not necessarily require waiving the administrative lease and grievance procedure, which serves a very useful purpose. It does, however, require establishing a firm law enforcement footing, with the tenant involvement and with the

support of the public housing authority, which we think is a very important element.

Senator CRANSTON. Senator Graham.

Senator GRAHAM. Mr. Chairman, an issue that is going to be before us very quickly within maybe the next 2 or 3 weeks, certainly the next couple of months, will be the HUD appropriations.

What should we be looking at in terms of the scale and the shape of that appropriations bill as it relates to the kinds of circumstances that have been described as magnets for criminal and drug activities in housing facilities that depend upon HUD funds for a substantial amount of their maintenance, rehabilitation, and operation?

Mr. BARON. Senator, if I could respond just briefly.

To try to step back from a lot of the comments that have been made today, I think it is important to understand that the solutions for all of these problems are understood very well by the people who have spoken. Vince understands what to do in Chicago. I think it is not something that is a mysterious social problem that people who have been in police enforcement and people who have been managing real estate for many years don't understand how to begin to get a handle on what is going on in these communities that are, as I have described them earlier, dysfunctional.

The problem is that there is no consistent policy in this country. Those of us who have been around long enough remember LEAA and all the things that happened with the Law Enforcement Assistance Administration. There were all kinds of very worthwhile interesting demonstrations going on in public housing complexes and assistance projects across this country in the early 1970's. Police departments were doing team policing. They set up local precincts in public housing sites. They trained police officers to go in and start dealing with kids. They began to have a localized, understood kind of neighborhood focus.

These problems are going to be solved on a neighborhood level, on a site-by-site level. Tenants must be involved.

I think those of you on the committee have heard Bertha Gilkey speak, who is from St. Louis. Bertha and I have been working for 20 years. She is working up in Chicago and a number of cities around the country. Where you can get tenants organized, they are obviously a critical part of this problem.

The problem is that the funds come and the funds go. Housing authorities don't know what to do. City governments don't know what to do. There is no consistent national housing policy, and it is no wonder that all of a sudden we are faced with beleaguered projects because certainly for the last 8 years there has been benign neglect, but even before that.

The Congress itself is schizophrenic about what the hell to do about HUD and whether you put the money through the Justice Department, through an LEAA, or you put it through HUD, and what is HUD's responsibility and where does housing management stop and where does policing start.

Those kinds of problems have to be worked out at the local level. Mayor Daley and Vince Lane and the mayor of Buffalo and the kinds of things that are going on there or in St. Louis or in Boston, you know.

There is enough experience around this table today that in a very short period of time, if we understood that there were going to be dollars there, we would know how to solve these problems. These are not mysterious issues.

I mean, there is a wave of drugs coming into the country that transcends the ability of local housing authorities and private management companies to deal with. But this is not mysterious stuff. You know, we had heroin and drugs in Pruitt-Igoe back in the 1960's, and there were a lot of interesting things that went on to stop that problem in St. Louis.

There has been an issue of the fact that HUD doesn't provide additional costs for private owners to do security. Obviously, that is one place they need some additional dollars. Section 8 rents ought to be adjusted to reflect the cost of adding security. There might be some additional dollars targeted to HUD offices to provide the private ownership. State housing finance agencies may have to go in and intervene in REM kinds of proceedings.

The orders of magnitude of the dollars I can't speak to today, but it is absolutely critical that if HUD is going to play a role in solving this problem as a funding conduit nationally, they need to get focused and they need to put staff out in the regional offices and in the area office who know what the hell they are doing and who have some authority to do something.

If they aren't and if public housing can't be handled by the Department, then it ought to spun out into some kind of quasi-public corporation, given its own budget, and this thing will happen much faster.

But I am at a point now where, you know, Vince Lane can't manage in Chicago until he stabilizes these properties, and we can't manage affordable housing in this country unless it is done on a decentralized basis, we know there are going to be the funds available if circumstances arise that create an obvious situation. If a job is 10 years old and it has got FHA mortgage insurance and suddenly it is overrun with drugs, surely there has got to be some ability in the system to respond to that before the thing becomes totally vacant.

These are the kinds of things that it seems to me have to be done. To the extent that additional dollars should be targeted to housing authorities for drug treatment kinds of programs and other things, for social services, soft management programs, it makes a lot of sense. It used to be done. It is not done any more. There is no money.

Ms. WHITE. If I can speak to the order of magnitude, the order of magnitude of dollars required is a lot less, I think, than anybody would think intuitively. I want to give you an example.

Five years ago, MHFA established a program called the Tenants Assistance Program to deal with alcoholism and substance abuse among the tenant population. We started with our elderly developments and moved to the entire portfolio.

We now run a program which runs very much like a health maintenance organization. For $10 per unit per year, any development, any management company can participate in this training and coordination of resources in any of their developments that we finance. In return, the master insurer for these properties provid-

ing property insurance found that the level of fires, water damage, vandalism, disruption, all kinds of things that add up to management costs, the savings was so impressive that they now grant a 20-percent rebate on those insurance costs. The rebate is more than the cost of the program. This is now a no-cost program, in essence.

Social services are another kind of example. Tenant liaison kinds of things that we have done in our portfolio is another kind of example. Not big dollars. You are not talking about capital expenditures of millions and millions of dollars per project, but the kinds of activities—and I think this is what Mr. Baron is referring to—these kinds of activities, real preventive kinds of things, can make a difference between a successful development and one that deteriorates and becomes unlivable.

I think our frustration has been that there has been not only no direction from the top, no interest in HUD in pursuing these kinds of things, and no availability of dollars, they are very simple kinds of things to do.

Senator D'AMATO. Mr. Chairman, if I might, I think you touched on something which is important for us to recognize. While I think we all acknowledge the desperate need for additional funds, whether it is for counseling, security services, or for rehabilitation efforts, but what can be done that does not require additional funds or a great outlay of additional funds?

Mr. ARMSTRONG. Could I comment on that, Senator?

Senator D'AMATO. Your example where you talk about spending $10, but receiving a greater return. That was very positive.

Is there anything else that can be done.

Mr. ARMSTRONG. First, I want to answer the Senator's question about dollars, what is needed now. I want to say that the housing organizations such as mine have done an extensive study and have recommended to the Congress what those dollar needs are, and we agree with that.

But to get back to Senator D'Amato's question about some programs that may not cost the Federal Government money. In Omaha, we have done a series of things that allow us to carry out programs by coordinating efforts with local agencies that don't cost money. I will give you an example.

We have an arrangement with the Omaha Public School System, where any child, living in public housing, who had dropped out of school can get back in after a 24-hour period. We have a rule at the Omaha Housing Authority that no person can live in public housing who has a school age child who is not in school. We were asked to do that by the residents.

I should say to you that we don't implement any program that is not approved by our residents. The reason they wanted us to do that is because to much vandalism occurred when kids were not in school.

The Omaha Housing Authority in 1986 spent over $87,000 in vandalism costs. Last year, we spent a total of $4,000 in vandalism costs because we had children in school.

I have to emphasize this to you. We found that the average child in public housing was missing 3 days a month from school—9 months a year. That is a total of 27 days. At that rate, when they go into second grade, they are a month and two weeks behind.

When they go into ninth grade, they are a whole year behind in receiving instruction, and then we start calling them "at risk" students and create special programs for them.

We feel that you must make those children who live in public housing attend school on a daily basis. It doesn't cost any money. We set up study centers in our developments for children who are having problems in school, and those study centers are staffed by volunteers—business people, college students, retired teachers, our staff, et cetera—to make sure that those students who are having difficulty in school have an opportunity to better their lives.

Our whole program is designed to make sure that we have a lessening need for public housing 15 years from now rather than trying to keep people in public housing on an ongoing basis. So we do everything to try to encourage them to better their lives.

We found that once we started doing that and once the residents started believing in themselves, that they could do something, the rest of the city then started to assist in doing what needed to be done.

I will give you another good example. We have a scholarship program where the money for the scholarships comes from the residents themselves. We give a $2,500 cash award scholarship to the graduating senior who has the highest grade point average. The money for that scholarship comes from the residents giving a $1 a month into the foundation for that scholarship. We found that once we started doing that the local universities started giving those students full 4-year scholarships. Five students are receiving full 4-year scholarships from universities, and this doesn't cost the Federal Government any money. It is cooperation, of agencies working together to try to help those people who live in public housing.

I want to make one more comment, based on what Mr. Henderson said, about the drug validation policy in Omaha. We have what we think is probably the strongest eviction policy in the country, but it is also done at the insistence of residents and with the help of residents to make it happen.

We have a rule that we will not evict anyone who lives in public housing if any agency, church, or organization is willing to work with that family. We do feel that it is better for us to try to solve the problem rather than just to try to move it someplace else. Our entire program is designed to try to get the whole community involved in trying to help us create an atmosphere for positive learning, not just for negative learning, hoping that by doing that we can have young people move out of public housing in a positive way.

Senator CRANSTON. Mr. Rose.

Mr. ROSE. Thank you, Senator. I have a couple of suggestions. Some cost money, and some don't cost money.

Renting out the vacant apartments generates rents right away, and, second, in the long term saves money because the quicker you fix it up and get it back online, it won't deteriorate any more. That is the most important thing.

A nonmonetary flip side of that would be to incorporate what I suggested earlier, mandating that HUD rent out those units within 60 days.

Senator D'AMATO. Could you give us a little more time, like 90 days? [Laughter.]

Mr. ROSE. We are always willing to compromise.

Senator D'AMATO. Or say that they should undertake to put them in habitable condition and, give them time to do that?

Mr. ROSE. Part of the problem, Senator, is I would rather say 90 days. If you need 120—I need a fixed time. My experience with HUD is that when you say to the greatest extent feasible, you got 5 years, maybe forever.

Senator D'AMATO. Can I just take you off track a little and go back to your first remark?

I am trying to understand what their reason is. I am going to ask our staff to contact them and find out what reasoning do they offer for keeping these vacancies. You are talking about, a project that people are living in, and yet you are talking about vacancy rates of 10, 15, 20, and as many as 40 percent.

So it is not that the building is uninhabitable. They just choose not to lease these again?

Mr. ROSE. Correct.

Senator D'AMATO. You must have fought them in court?

Mr. ROSE. We did.

Senator D'AMATO. What did they say to the court? What was the explanation?

Mr. ROSE. Their explanation—well, first of all, they denied that there was any such policy to keep them vacant. What they said was that they are not in the business of being a landlord, that they are like the bank and they are trying to expedite the transfer to the private industry as the private developer would do it. Of course, that didn't happen either.

Another way to deal with that problem is when you have a troubled project I would require a limited telescoped period for the developer and HUD to accomplish a workout. If there is a problem—and this is something I think some of the developers would agree with, on at least the first part, maybe not my second part, which I will get to in a minute—but the first part is force HUD to do a workout within 90 days or 120 days. If they can't do a workout, come up with the transfer of physical assets.

Senator D'AMATO. I have heard about problems with workouts for years.

Mr. ROSE. And if that doesn't happen, I would say that HUD should be required to become the mortgagee in possession. If they can't work it out, don't let it take 6 years. Don't make us go to court first to have a transfer. Give them a reasonable time. Talk to the developers. Find out how much time they need. Maybe they want 6 months. But if it is not going to happen, let's make it 6 months and not 6 years.

Third, another thing, which costs a little bit of money, is to require HUD to take an inventory of every vacant apartment because we don't really know. We shouldn't have to wait for the poor person to make it through our legal services office. You want them within 6 months or a year to come up with a list of every apartment that is vacant for more than 30 days or 60 days. So then you have—not only the tenants can organize around that, but you yourself can have your staff—you would have a list and each Senator

and every Representative would know where the vacancies are. Then we would be able to put the pressure. So you don't have to rely on the legal services attorney or the tenant to come in and say that.

One other point——

Senator CRANSTON. Can I ask you, is this a recent development where HUD has just not been moving to get new tenants in or is that a long-term policy?

Mr. ROSE. I have been a legal services attorney for 9 years. It has gotten worse. It has been that way since 1980. I can't speak before that. There was always a problem. You know, people criticize bureaucrats. They don't move things along that well. It has gotten much worse, certainly between 1983 and the present. It has gotten even worse than between 1980 and 1983.

One other point in terms of funding. Almost every speaker here has pointed to the need for empowerment, everyone—the Civil Liberties Union, the mayor of Alexandria. Everyone here has agreed tenant empowerment. Tenants need assistance. They need money to organize.

Legal services, contrary to some of our critics—I don't want to be an organizer. I am not an organizer. I am an attorney. I don't know how to do it. They need staff.

Senator D'AMATO. Let me try to understand this a little better.

Most of these properties—these are FHA foreclosures, is that right? Who comes into possession of them? HUD comes into possession of them?

Ms. WHITE. Sometimes they don't come into possession of them. That is part of the problem.

Mr. ROZET. Mortgagee in possession.

Senator D'AMATO. It would seem to me that one of the things we should take a look at is how do we address that "mortgagee in possession" problem. That is what you said about either a workout in 6 months and/or a policy because what has happened is that they have a specific policy which says we want to get this housing back into the private market. We are afraid that if we continue to lease up that we won't be able to do that, that we will preclude the private guy from coming in. In the meantime, HUD doesn't make the deal with a new person or the mortgagee in possession.

Is that fair?

Mr. ROZET. I think that part of that is correct. You have to go back to the workout process you mentioned, that you have heard about, for many years. If HUD came to the table with private owners quickly and decisively and worked out programs when the trouble starts, the problem wouldn't begin to be of the proportions that Mr. Rose has discussed.

Instead of that, HUD is letting the problem fester, not coming to the table with the private owners, not coming to help work out a program, and eventually their only recourse is mortgagee in possession or foreclosure.

In addition to that, they have more tools available to them when they become mortgagee in possession than if I am the private owner. They will say to me constantly we can use the insurance funds to fix the property up, but we can't give you any help to do

it, even if it would cost less for you to do it. They say we have those funds available.

Now, with those funds available, under what you are hearing from Boston, they don't do it. They don't do it because the insurance fund is depleted, and they don't want to spend the money in the insurance fund to fix the property up.

Next we will read that HUD will put the property on the block, with a 100 percent 15-year section 8 contract on the project at high market rent. In effect HUD will then get more money in the insurance fund at a cost to the Government of borrowing at 15 percent, which is exactly what they are doing today.

So they sit in this condition because they don't want to use the insurance fund. Then eventually this housing will go on the block and be sold under auction at 100 percent 15- year section 8.

If I go to get that section 8 assistance today as a private owner, they will tell me, Congress said I can't give you 15-year section 8, I can only give it if it is foreclosed and then resold. So I can't help you; I can't give you any money. The mortgage is assigned. I can't give you any section 8.

But they can go through this process which Mr. Rose is describing, 5 years from now, selling it out at some outrageous cost to the Government. That is exactly the problem. The workout at the early stage, identifying the problem at the early stage is in fact the most cost effective first step but it isn't followed by HUD.

That goes to the drug issue, and I would like, if I could take half a minute—I think Senator Graham raised the question, what is the cost?

I disagree to a degree with what has been said that there is no cost or the cost is low. I agree with the importance of all the social programs. We have tremendous outreach in all of our projects to community services. We firmly, even as a private sector owner, believe that tenant empowerment is basically important. We must get to resident management at some point along the line, and we must work with the tenants. That is not costly. But the properties are in bad shape. They have gotten in bad shape due to neglect over many years, and you can't empower tenants to own and run and live in a project which is dilapidated, with the screens hanging out, with the doors broken down. Their enthusiasm will be good for a little while, but if the second phase of Mr. Lane's program is not dealt with, if he hasn't got the money to fix those properties up and to make them safe, sound, and decent housing, Mr. Chairman, as you have said, the tenants will lose interest, they will become discouraged and we will be back in this meeting again within a couple of years.

That we must avoid. We must have emphasis on preserving the housing, fixing it up, upgrading it, and, if I have to use a simple term, making a place that tenants can be proud to live in. Then they will evict the drugs.

And I think no one here will disagree with that. We cannot continue to ask tenants to live in the kind of conditions that we have, and today we have no program. Mr. Chairman, I know that you are trying to face this in your bill this year, but there is no program for the preservation, repair, and upgrading of the existing housing stock of the country. That can be much more important than build-

ing new housing. We must preserve what we have. Then we can empower the tenants intelligently. Empowering doesn't cost money. Fixing it up will cost something.

Senator CRANSTON. Vince.

Mr. LANE. Mr. Chairman, I have some costs that I have accumulated as it relates to developments which have severe gang and drug problems.

I agree with what everyone has said here, and I think everyone will probably agree with what I have to say, but when you have gangs who are in control of housing, just the goodwill of the tenants and a tenant group that has the motivation to throw the bad guys out, it is not going to occur. You have got to give them help, and that help costs money.

When I approached the problem in Chicago, I knew that we weren't going to get $20 billion into a study that says we could rehabilitate all of public housing, but I looked at it in terms of a normal operating budget. What we came up with to stabilize a unit; that is, a unit cost; that is, get it back from the gangs, inspect the building, evict unauthorized occupants, issue ID cards, enclose the lobby in a hi-rise situation or, alternatively, in a lo-rise situation, because in a big city the lo-rises have the same problem as the hi-rises, with perimeter fencing and electronics, it is costing us $1,500 a unit.

That is not a lot of money when you figure operating budgets today, whether in low income developments or market rate developments, are running between $4,000 and $5,500 a year.

What we do, that cost covers a 4-month period to stabilize that development. Then on an ongoing basis for the balance of that year, for contract security officers, because it is going to take you a while to train the tenants to inform and help provide these security services, it costs you another $952 a unit. Then it also for the balance of that year, for additional, what we call management personnel and maintenance personnel, another $371.

So for the first year, to stabilize the development, it has cost us $2,823 per unit. After that, once we have trained the residents to help with the security as well as providing the social services which deal with drug treatment and other kinds of things, it costs us only $1,200 additional per unit to maintain a decent, safe, and clean environment.

What is the alternative? If we have an apartment that is vacant, it costs us when the gang is finished with it, $1,500 to $7,000 a unit.

And I will tell you, I would much rather deal with $1,200 a unit on an ongoing basis and have no vacancies as opposed to the alternative situation.

Senator CRANSTON. Can I ask this question? Do any of you know of anything that HUD has done that has been good that we should push for?

Mr. MCLAUGHLIN. Yes. In Philadelphia, HUD and the Philadelphia Housing Authority are funding and constructing police substations in many public housing facilities. Within several high-rise locations, we have, as Mr. Lane spoke, placed the substation into the street level of a building. It should be noted that HUD/PHA funding also extends coverage of utilities, including telephone. The

Philadelphia Police Department's contribution is limited to manpower and placement of private industry donated office equipment.

Substation police officers are getting to know the tenants, while stabilizing community streets and public areas. Everyone here today has talked about the need to stabilize these communities so that tenants can organize, so that support services can operate safely, and so that surrounding community members can join with tenants and police to identify problems and to try innovative and creative solutions. Police substations are the start of the restoration of safety and improved quality of life in our public housing projects. HUD assistance has proved extremely valuable and should continue. The partnership formed between police and the Philadelphia Housing Authority is providing a sense of hope for officials and residents alike.

I manage police service for the 250,000 people who live in south Philadelphia. There are five public housing projects which include ten 25-story towers and numerous ground-level units. There are approximately 10,000 legal residents of these projects. In working with tenant councils and community groups, we have learned that neighborhood residents must feel that they are a part of any solution or there is no real solution. Police, or support groups, providing service for neighborhood residents is like giving a "treatment" that addresses the problem for whatever amount of time the "treatment" can be maintained, but the problem returns when resources are diverted. Most successful long-term solutions to neighborhood problems can be recognized by the fact that greater numbers of residents are functionally involved in the "working" solutions. The talent to be developed by public and private service providers is not so much thinking of great solutions, but in learning how to empower and support neighborhood residents while they implement ongoing, lasting solutions.

Another subject, touched upon by Mayor Moran, is the generally deplorable conditions of public housing properties. I am particularly interested in the effects of broken windows, trash, abandoned buildings and vehicles, overgrown and untended grass and weeds, sending a clear message that no one cares. "If no one cares, then no one is watching and I can do whatever I want." A philosophy of modern policing indicates that an organized problem-solving group of neighborhood residents—who realize their responsibility to maintain informal neighborhood control by keeping their public/private areas orderly and appearing as if someone cares—are providing a more effective crime prevention effort than any patrolling, incident-driven police officer is capable of doing. Incivilities are at the root of the problems in our neighborhoods. Any sincere application of HUD funds must clean and maintain the public housing environment. The excitement for the future is that more and more private citizens are recognizing their responsibility to protect investments in their environment and not just relying on government to provide all services and solutions. The promise here is that HUD will not be dumping public funds into a bottomless pit called public housing cleanup.

My last issue is that we must start thinking of ways to break the cycle of generation after generation living in public housing and subsisting on public assistance. We see young children looking

around their environment and realizing that the most visible success stories are the drug dealers with the money, jewelry, and flashy cars. In some areas, the drug dealers are the only adult male "models" to which youngsters can relate.

We believe there are many good, hard working, struggling family role-models making just a little bit too much money to qualify for assistance or housing, who would jump at the chance to occupy a public housing unit. We think that rules should be relaxed, or changed, so that role-model families would be permitted to pay some reasonable rent and could be trained in community organization and agree to participate in the community as part of the agreement. In other words, we should purposefully pick role-models, train them, and place them in strategically advantageous locations within public housing and other federally assisted housing.

Senator D'AMATO. Amen, but you know what happens, then you get the other argument that what you are attempting to do is to provide housing for middle class families, and you run right into this.

We have had legislation, and it has been terribly injurious of public housing authorities' ability to keep families together, to keep role models, to let a person pay a higher rent. But we have gone in the opposite direction, and when we talk about that, we get tenant groups saying you don't care about the poor people.

Senator CRANSTON. Can you comment very briefly?

Mr. LANE. Yes, Senator.

I have started a program in Chicago where I am hiring residents—I am hiring, I think, almost 500 now in regular line item positions, and what I want to do is to show HUD and the Congress that after a couple year period—and I know people are saying, well, they are working now, they are taking a unit away from someone who can't afford it. However, HUD is subsidizing our units at about $400 per month per unit. That is about the operating cost of any development. We should be providing those subsidies again, not in a public housing environment. So replace the unit that is being absorbed in these hi-rise monstrosities where low income people are on top of low income people, replace that unit out in the private market for that other low income person, and therefore let's start getting the socioeconomic mix.

Senator D'AMATO. In other words, you would take whatever you are taking in this one subsidy and transfer that $300 or $400 into the private sector?

Mr. LANE. Absolutely, because when I put the employee, that person on my staff, HUD is not subsidizing me for that unit.

Senator CRANSTON. Did you get the people of a higher income level in with the people of a lower level to provide some role models?

Mr. LANE. That is exactly right.

Mr. BARON. It works.

Senator, can I just respond to your question about is HUD doing anything right?

I think there is a fundamental question that has to be asked by the Congress at this point, given where HUD is, and Ms. White

commented on the number of cases of projects that HUD officers in these area offices are trying to oversee.

Either the agency has to have the money to reconstitute itself so they can attract a high quality, professional group of people, many of whom have left now because they have been so dispirited and they have gone into the private sector or are doing other things—there are many good people left, but I mean you can't manage 60 projects I don't care who you are—and I think the question is whether the agency ought to be reconstituted and really do the job well or whether you ought to decentralize it and move this funding out into local communities and not try to make something of HUD that it can't be made any more.

It may be time to think about a regional approach or other decentralized approaches to this whole issue of moving these dollars out and not look to try to somehow put responsibility on an agency that simply can't take it on any more.

Senator CRANSTON. I am afraid I have to interrupt.

Five bells. There is a roll call. I am not sure that Al and I will get back, but I would like to ask Don Campbell to carry on to get to specific legislative suggestions you have on our bill that will help deal with this problem.

I want to thank you all very much for your participation. It has been very stimulating and very educational. A great discussion.

After you have finished whatever you want to say now, I want Don to direct the discussion toward specific recommendations for the bill.

Thank you.

Mayor MORAN. Thank you both, Mr. Chairman and Senator.

Ms. WHITE. Don, can I just carry on with what Mr. Baron was saying?

There was an opportunity to test this out to a certain extent. The Congress did enact in 1987 a proposed demonstration property disposition program, which was meant to test out HUD acting in concert with housing finance agencies for the disposition of the kind of properties that Mr. Rozet described once it gets into foreclosure.

HUD, unfortunately, never implemented that law. We have been turned down four times, and now that the new administration is there, we have got a new request in.

But we feel this kind of demonstration would test that hypothesis. Is it possible? Is that a workable solution instead of reconstituting HUD, which I agree with you is what would need to be done.

It is a shell of its former self out in the field certainly. Can you have a cooperative relationship between HUD and local or State agencies? Should in fact the whole ball of wax be turned over to local and State agencies? What are different kinds of tests that you can do on that model?

I think that is a long time coming, and it is too bad we have lost 2 years.

Mr. GARCIA. Can I make a comment here?

Not to go on the defensive, but in Buffalo I think we have got about the safest projects in the Nation. Of course, we have been working with the local community and with the housing authority at HUD. You know, we have implemented a number of law enforcement measures in Buffalo, including canine cops, with dogs,

and a lengthy treatment program, prevention programs, and of course there are not all the resources necessary to do that.

The problem is that the solutions are not consistent across the Nation. You are not getting the cooperation in certain areas that you are getting in other areas. But in Buffalo we are getting the greatest cooperation from the local office of HUD, including whatever resources we need to deal with the problem, whether it was law enforcement, treatment, prevention, developing educational programs, employment programs, and other things.

Ms. WHITE. You are very fortunate.

Mr. GARCIA. Thank you.

Mr. CAMPBELL [presiding]. This is an issue that we will never exhaust no matter how long we sit here, but we do have a bill that is underway. Senator Cranston and Senator D'Amato have been working on it, as most of you know, for over 2 years. A number of people around the table have had a hand in helping shape that bill.

We had a markup scheduled for August 1. The pressure of the FSLIC bill, the savings and loan bill, has pushed that off, so that the markup will be scheduled in the fall. So we still have another month, or somewhat more, to refine the bill before it goes to committee.

It would really be very helpful if we could identify—and this is not the last time you will have a chance to address the issue—but if there are some specific things you could identify that we should build into that legislation, we will follow up on that with you, not only today, but in the weeks ahead.

Senator Cranston and Senator D'Amato are proposing a sweeping overhaul of HUD programs because a lot of people who started work on the problem over 2 years ago knew of the problems that were existing in HUD over the last 8 years and knew that only a sweeping overhaul of the Department and its programs and national housing policy in general was going to allow us to address the problems over the next decade.

So what we are finding in the papers now is not something that comes as a shock to those who are shaping the bill. In fact, the existence of that bill gives us a leg up, a running start on the longer term solutions, but we still have to refine it, and I am sure there are holes in it and things we can strengthen and add.

So if you have any suggestions, this would be very, very helpful.

Mr. ROZET. I would like to make some.

First, in the bill you speak about an assistant secretary level for housing preservation, which could be at least the beginning of what Mr. Baron is talking about in getting professional staff concerned with preservation.

I think the first thing is at least to recognize in the bill that elimination of drug traffic is part of preserving housing and that resources can be spent for that purpose.

Second, I think that you must give HUD a clear mandate to raise rents, particularly section 8 rents, as needed to help meet the type of costs that Vince Lane is talking about. The $3,000 a unit sounds high, but I would not bring that number much lower to really secure property and get it on a stable basis.

Third, you must increase the flex subsidy capital improvement loan items in the budget so those moneys can be used to meet the

threat of drug traffic as well as to fix properties up. Admittedly, these are more private owner incentives than they are public housing.

Fourth, I think the 241 loan needs to be redefined because it is an insured loan and can be used to fix properties and to curtail drugs, and I think HUD should be mandated to develop an underwriting capability which they do not have today. It could be a source of funding that could be used both to combat drugs and to upgrade properties at minimal cost to the Government.

I think there should be encouragement to transfer properties, using the new low income housing tax credit, particularly where that would serve to eliminate drugs and preserve housing.

Last—and it is a minor item in the minds of many people but a major one as we see it—where HUD holds assigned mortgages that have already been paid by the insurance fund, there should be a mandate to stop servicing that mortgage at the expense of the property. In other words, the least expensive way to work out problems is to stop servicing an assigned mortgage and allow the cash flow from the property to be put back in to repairs and upgrading and security.

That statement has been in at least five or six bills that this committee has had over the last 10 years, but that has never been implemented by HUD. So today they will service their debt, the debt held by the insurance fund, while in fact the property deteriorates and the drugs go on.

I think those specific things, if put into the bill, can give HUD direction in order to begin to come up with something.

Mr. BARON. Can I add one that Vince triggered, and I had mentioned it before, and I think the New England contingent could react. I think it would be very helpful.

One of the things that has really hamstrung housing authorities—and Vince can certainly speak to it better than I—is this argument about taking public housing units and allowing more market rate families to occupy it and therefore somehow losing the public housing stock when everybody agrees that in terms of a broader socioeconomic mix and all the other positive things that you want to try to create in the community are very desirable.

It would be very helpful for the Congress to set aside tax credits that could be allocated to State housing finance agencies that could be specifically used over and above those that private developers are involved in for public housing intervention programs, so that a State agency working with a local authority and the State could deal with specific projects and where demolition had to occur and where a change of site configuration to make it more secure or to take down some buildings and open it up for recreational areas or off-street parking and the housing authority could take some of its own land and redo it with lo-rise public housing or mixed income housing and could have a set-aside tax credit so that it knew that with a State housing finance agency they could do some special kinds of programming.

I think it would be a terrific tool to allow for some more creative kinds of things to be done between State agencies and local authorities, and at least the recognition of the fact that you can't rely solely on the MOD program, the CEOP program to fix up public

housing units. There has got to be some development that authorities can get into with State agencies to try to make this thing work more like a private development than a public development in terms of its physical characteristics, changing the mix of lo to hi and some of that sort of thing.

I would be curious about some of your reactions.

Mr. LANE. Rich, one of the things that I think will be fundamental to creating this socioeconomic mix in public housing is a modification of the 30 percent of gross income rent calculation.

Clearly, there are families who are raised in public housing communities who do not want to leave, even if they and their offspring get jobs, good paying jobs, and can afford to move. Ultimately, they do move when they are paying $900 or $1,000 a month for an apartment and if they rented it across the street from public housing it would cost them $350 a month.

What I would like to see is a modification of the Brooke amendment to set upper market limits on apartments, not this unlimited 30 percent of adjusted gross income.

Ms. WHITE. If I can speak to both those comments.

I think our experience has shown that mixed income housing is the way to go. I think that what we have seen is the concentrations of very low income people don't work particularly well.

Unfortunately, when section 8 eligibility limits were lowered to 50 percent of median income, we at one stroke created whole new public housing communities that we need not have. I think anything that will lead to more mixed income communities will be to everybody's advantage.

I think Mr. Baron's idea is one of those kinds of models that we ought to be testing.

The idea of the Brooke amendment—unfortunately, in Massachusetts our rents are so high that you get up to astronomical rents, anyway. A unit across the street costs $1,000.

Mr. LANE. I understand, but in some markets the rents can be much lower if they are not calculated according to the Brooke amendment.

Ms. WHITE. So that you have an upset of the actual monetary rent in a locality?

Mr. LANE. Exactly. Maybe you have bus drivers who from their perspective are getting a rental bargain by getting in public housing, and there are many people who will take that rental bargain, even if there are some other negative social connotations about living in public housing.

Ms. WHITE. And I would also add that one thing that we found, relating back to the drug issue, is that we have had developments aggressively market in our State subsidy program, which is 75 percent market units, aggressively market to police officers, where you have a lot of police officers as tenants in a development. It is very hard to tell who is a tenant and who is the police officer on duty, and it does tend to dramatically reduce the incidence of crime in that development.

That is another interesting spill-over effect of mixed income housing.

Mr. LANE. Again, that police officer, if we followed strictly HUD guidelines, he would be paying $1,300, $1,400, $1,500 a month for rent.

Mr. CAMPBELL. Are there other ideas that haven't been mentioned yet?

Yes.

Mr. BOWERS. I really want to come back to something. I would be derelict if I don't say this. This may be my only shot.

In the year that Kenilworth Homes got some $35 million to repair units that were built in the mid-1950's and bringing them up to standards, you provided 45—"you," meaning the Federal Government—provided 45,000 units of public housing in Florida for $13 million for modernization.

This year, recently, we are very proud that the Florida Air National Guard received about 14 Apache helicopters from the U.S. Government. The cost of three of those Apache helicopters is equal to all the money that went into modernization in the State of Florida this year.

Now, yes, it is going to take some money. Yes, we have got an aging housing stock, and, yes, the CEOP, the way it has been distributed, has not allowed us to keep up with just the basic maintenance, and to sit here and say that these programs are not going to take money, I can have the Boy Scouts in my communities and they would want to come to the community, but I would have to buy the Boy Scouts. The Boy Scouts don't come out of goodwill. I could have the Boys and Girls Clubs, and I do have the Boys and Girls Clubs, but we support them with community development block grant funds. We have police officers. We provide them with CDBG. So it is coming from one source or another.

Yes, it is going to take some funding. That is just the reality that really needs to be looked at. To sit here and say we can take it from the reasonably same appropriation we are getting now, it can't be done.

Now, the other issue is—and the Congress ought to say somewhere if this is indeed the intent—local governments and State governments have got to buy into providing this subsidy, and they need to say it because when we say to the State we need help with public housing, the State says, but the congressional intent has always been since 1949, or whatever, that that is a Federal problem. They started this. Let them end it.

We finally have gotten the city to come in because we are part of the city. It has been an 8-year battle to get the city to put direct money into public housing maintenance. So if something is not done along that line, all the rest of this—I mean, we have got some great ideas. I know what to do to make it happen. My tenants know.

My tenants are the ones that are saying throw out that family with the 18-year-old drug dealer. Even if it is a 36-year-old grandmother living with all her family, throw them out, we don't want them, send them somewhere else. It is not us saying that.

We are saying where are our social services? HUD is saying, well, you can't fund social services. You have got to triage that because it is more important to do the maintenance.

So until we reach that point and come up with some reasonable, responsible number about what it takes, all the rest of this is just discussion.

Mr. HENDERSON. That is a classic example, though, of what we are facing in direct concrete terms. There were two programs authorized as a result of the Drug Abuse Act of last year, both of which have direct significance for public housing.

One is the public housing drug elimination pilot project, which talked about providing financial support to public housing authorities that wanted to beef up security and make improvements and establish perimeter fencing and lighting, and so forth.

That project has not been funded, even though it has been authorized.

The other is to establish a drug abuse demonstration project of national significance, which talked about coordinating efforts between HHS, HUD, and public housing to deal with some of the social service dynamics and needs that are now not being met in public housing, yet neither of those projects have funding.

What happens to a large extent is as we grapple for these solutions it is easy to talk about ways of dispensing with what are perceived to be impediments to effectively ridding public housing of undesirable individuals, but at the same time there is going to have to be a recognition that sometimes there will be programs that will require money and, if not, there are going to be very creative ways of coming up with programs that work, and I am not sure that we can effectively do that without focusing on what has already been adopted and identify it.

Mr. CAMPBELL. Those who have been working on this legislation are operating on the assumption that we have got to increase funding. Housing has been cut more deeply than any other area of the budget in the last 8 years, but in order to do that, we need to have legislation around which people can feel some confidence, and we have got to build a strong coalition of support that draws on the resources of everybody who cares about housing, including the mayors, the governors, and the private sector, the low income housing advocates, as well as the mortgage lenders, the home builders, the realtors, and the rest, and that is what we are trying to do.

The earlier comment—don't misinterpret what was said here. We aren't only looking for ideas that don't cost anything, because the assumption is that there aren't that many of those around that work. We need to keep a bill that is fiscally responsible so it is not just laughed off the table, and that is a very, very tough fight, as you know.

Mr. LANE. Don, can I clarify one thing?

Bruce mentioned that we have a stabilization cost of about $2,800 a unit. That seems high, but included in that cost is to put back into service approximately 20 percent of the units which are vacant at the time we go in and secure a building. So they include the rehabilitation of vacant apartments for our tenancy.

Mr. STRAUGHTER. I think one of the things I would like to say the committee should look at is establishing and enforcing some kind of establishment between law enforcement and private security because initially they are the ones that are going to have to break the ground and get the people out of there so all of these other

things can happen, and historically there has been a separation between the security forces and police departments.

I think with the growing criminal elements in all of our areas, with some certain kind of specific programs and training of security officers, that you could bring law enforcement and security officers together with security officers. They could be an extended arm of the police department in order to do some of the things that they can't do budgetarily.

And also for the housing and the tenants, I think you can get a security force out there and they are able to report to the right people, that they can also be a monitoring source of what exactly your management agencies are doing and how effectively they are keeping the properties up and where the trash is and where this and that is.

That piece also needs to be looked at in terms of bringing these properties up to the way we want.

Mr. CAMPBELL. We have come past our appointed time to close. On the other hand, I don't want to leave something unsaid that should be said.

Yes.

Mr. ROSE. I have one closing comment. I guess I will disagree with the mayor sitting next to me, so instead of ending on a conciliatory note, maybe I will end on a more controversial note.

I have been working with tenant groups, as I have said, individual tenants, for 9 years now. The tenant groups I represent want the drug dealers out. I think what you said is true. They want the drug dealers out. However, the groups that I am working with are concerned about the innocent family members, and we can't get so caught up in the hysteria that we lose sight of the tough situation.

Senator D'Amato came up with the easy case. If you have got eight out of nine family members selling crack, you know, get rid of all of them. But when you have one bad apple, how can you control the crack addict? No one can control the crack addict. The mother can't do it.

I had a case in Boston housing court today, which was continued because I had to come down here, where the son in this particular development was, according to the tenant group—this is a place where I represent the tenants association—an individual person was being evicted. I didn't know initially, but the whole tenant association knew about this individual woman and her family. Both the police and the other tenants called her son a one-man crime wave. OK?

But for years the mother, like many mothers, ignored the situation. Not my son. It is not him. It is this and that.

Finally—with her it maybe took too long, but it came when as a crack addict he turned on her and struck her. She finally came to the point where she realized she could no longer control him. She then is now allied with the tenant association, and she wants him out. We have got a restraining order. We went to court. There is a restraining order that keeps him off the property. Whenever he comes nearby, everyone, even the mother—if the mother doesn't call first, the next door neighbor calls, and he is now removed from the property.

Now, this is subsidized housing. It is not public housing. But getting rid of the grievance procedure wouldn't have resolved that. We have got to come up with a policy that deals with the tough situations—if the family is willing to deal with it, if they are not willing to deal with it. If you have got a family that wants to grapple with the situation, they want to deal with the situation, we have got to resolve it.

And one final point on the grievance procedures. Getting rid of the grievance procedure in public housing is not going to solve the problem. We have to deal with that reality. Some people would argue that it helps and expedites, whatever. That may be true, that may not be true. Most legal services attorneys would disagree with that.

However, putting aside that, it doesn't solve the problem for two reasons: one, the real drug dealers don't show up in the grievance hearings. Even more importantly than that, if getting rid of the grievance procedures would solve the problem, then you would look at housing, like HUD housing in Boston, which never had a grievance procedure, and you would assume that the drug problem is better there. The drug problem in subsidized housing is much worse than in public housing in Boston.

So we can discuss it. We can debate it. With all due respect to the mayor of Alexandria, it is a wonderful way to get a headline or to attempt—maybe it is a great first step.

I apologize for that.

Mayor MORAN. That is OK. You are not the first one that has suggested that. [Laughter.]

Mr. ROSE. I don't know, maybe you are really trying, but it is not going to solve the problem. We can all feel good about it and think that is the answer, and then we are going to leave here, and it doesn't do it. They will move next door.

Until we fix up everything, rent out all the apartments, and provide enough funds for the tenant association to hire their own staff, that empowerment—the tenants in the Geneva Ave. apartments, in the Franklin Park apartments, in the places where Mr. Straughter is, they know who the drug dealers are. Some of the managers know who the drug dealers are, and at least in subsidized housing, if the managers actually went to court—see, they don't do it. The real problem is that the managers were afraid. Maybe they got beat up 5 or 10 years ago, and they gave up.

Mr. ROZET. I have several like that.

Mr. ROSE. They gave up. They don't even try anymore, but when they go, they will have my tenants with them. Years ago, tenants were afraid to show up. Now, they will either show up or they will certainly talk to Mr. Straughter and inform the police who the folks are, and when you go to court the real drug dealers, they don't show up. Once you get to the courthouse, they default or they are evicted or you work out some compromise through the grievance procedure to get the bad guys out and the good guys in.

Mr. HENDERSON. But the bottom line is that there is a procedure authorized under current law for waiving grievance procedures where there is a problem. All we are saying is follow the law that exists today. It is on the books. It was set up to deal with precisely these kinds of problems, and we are suggesting that if you follow

the law, there is a way of striking a balance between the interests of all those who live in public housing and the interests, the constitutional interests of the tenants. You don't have to dispense one to get the other. You can have them both. That is all we are asking.

Mr. CAMPBELL. I have a feeling there are a couple of other statements that have to be made here. [Laughter.]

Mayor MORAN. I was hoping for maybe 2 minutes of rebuttal here.

Number one, the fact is that the law on the books, that grievance procedure, the law is so discouraging of housing authorities to evict families that they weren't doing it. The Department of Housing and Urban Development told us that the average length of time to evict somebody for criminal activity is 6 to 8 months before you even get to the court.

So it doesn't make any sense if you have got due process in your court system to overlay it with another superfluous administrative grievance procedure. If you don't understand the background of those 45 tenants—but I am not going to get into that. I want to deal with the family issue.

It is wrong to provide an incentive to banish members of your family. What is being suggested by our folks at the ACLU and tenants rights organizations, and so on, is evict only the criminal in that family unit. How cruel, how mean spirited to provide an incentive to disown a family member. Imagine the kind of individual; that is, that will get put out on the street and they are not allowed to come back to their home. If that person is going to be rehabilitated—and I still believe in rehabilitation, even though virtually none ever occurs in our society and certainly not in our prison system—if they are going to be rehabilitated, the strongest opportunity we have is through the family working with the person that they love and care about and know.

Most often when people are criminals, when they are addicts, when they are dependent on drugs or alcohol, one of the factors is that the rest of their family that cares about them, as well as their friends, enable them to maintain that dependency.

I think we need to set up a situation where they are discouraged from enabling a family member to maintain dependency and certainly to maintain criminal activity. For that reason there needs to be something that is a stick. Granted, it is more of a stick than a carrot. It should be accompanied by a carrot, but there has to be a stick. If this woman is going to look the other way while her son becomes a one-person crime wave, she has to be aware that there is something at stake for her. She runs the risk of losing her housing as well as the rest of her family members losing their housing, and we are not talking about putting people behind bars.

All we are talking about is putting them back into the same situation that the waiting list in every single city around the country represents, far more people than will ever be housed in public housing. We have waiting lists many times more than the number of housing units available.

All we are saying is that the subsidized housing, to some extent, is a privilege more than a right, and we are going to have to be more selective about who has the ability to take advantage of that privilege and who is going to contribute constructively to a commu-

nity, and if we are going to empower our communities, we have to give them the means to weed out people that they simply can't deal with now, that are dragging that community down and taking away their power to influence their environment for their children and the next generation.

So I don't have any qualms about the whole family going because although it is punishing and it is direct, it is directly related to the activity, it is not incarcerating them and it is not treating them any differently than the vast majority of people in these same demographic conditions are already treated.

Mr. ROZET. Can I end on a very noncontroversial note?

I don't know if this is the end or if Mr. Henderson has something.

There is an agenda item that we have not touched on here and that could be built into the legislation. You did raise the question about the design of projects and whether they are defensible. I am sure that the people in the security business are very sensitive to this issue.

It certainly would be, it seems to me, in the scope of the legislation, to conduct some studies of the problems of defensible space.

Many of the projects we own are not truly defensible, and in fact are very conducive to drug traffic. We are working now on a large project in Prince George's County which had so many ways in and so many ways out that there was no way at all of containing the drug traffic, and it became a major source of drug activity.

We have redesigned that project to essentially turn it in on itself and create separate village clusters so that we can in fact control it and redefine it and create livable and defensible space.

I have a great deal of trepidation about the picture of barbed wire fences circling compounds with electronic surveillance.

Mr. LANE. It is done very tastefully. [Laughter.]

Mr. ROZET. Vince, I know you have good taste.

But a lot of the projects won't lend themselves in the private sector to that.

We do need to think about it, and it would certainly be well within the scope of legislation to have HUD work on this project and try to come up with some concepts for redesign of the projects.

I must say that HUD was good and bad on this issue. They fought this concept for almost a year, but finally they did acquiesce. They did provide us with assistance to enable us to redesign the project with the help of the county and the local police department.

But the defensible space design is a major problem and one of the real reasons we are attracting so much drug traffic in low income housing.

Mr. CAMPBELL. Well, you have our phone numbers and you know how to get in touch with us. We want to keep this process as open as possible in drafting the legislation.

I appreciate all your time and effort in preparation for it.

So thank you very much.

This hearing stands adjourned.

[Whereupon, at 3:50 p.m., the subcommittee was adjourned.]

[Additional material supplied for the record follows:]

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DRUGS AND SUBSIDIZED HOUSING

Statement of

Robert L. Armstrong

Executive Director
The Omaha Housing Authority
Omaha, Nebraska

on behalf of

NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS

before the

Senate Subcommittee on Housing and Urban Affairs
of the
Committee on Banking, Housing, and Urban Affairs

Thursday, July 20, 1989

The National Association of Housing and Redevelopment Officials is a 56 year old professional membership organization of housing and community development officials throughout the United States who administer HUD programs at the local level. Its membership, numbering 8500, represents most of the 3300 local public housing authorities. NAHRO has long participated in the creation and fine-tuning of national housing policy and programs.

Helen L. Sause, President, Apolonio Flores, Senior Vice President, Michael A. Garcia, Jr., Vice President-Commissioners, William H. Garrett, Vice President-Community Revitalization and Development, Jack Quinn, Vice President-Housing, Michael F. Hanratty, Vice President-Member Services, Ophelia B. Basgal, Vice President-Professional Development, Richard Y. Nelson, Jr., Executive Director

Thank you for the opportunity to be here on behalf of the National Association of Housing and Redevelopment Officials. We want to share with you our experience at the ground level in dealing with drugs in and around public housing, in Omaha, and in other communities.

We hope our experience in Omaha in focussing on stable families and stable neighborhoods, on fostering self-respect, self-discipline, dignity in residents as well as housing authority personnel, and in promoting partnerships with the schools system, and Omaha business community will serve as a national model.

Let me tell you a little about the Omaha Housing Authority (OHA) and the residents it serves.

OMAHA HOUSING AUTHORITY HOUSING STOCK

The Omaha Housing Authority was founded in 1935. Today it owns and manages 3,260 units of public housing, of which 1,665 are for families and 1,595 are for senior citizens. The age of our family public housing developments ranges from 37-50 years. More recent scattered site public housing dates from 1987.

MODERNIZATION OF AGING PUBLIC HOUSING STOCK

Given the age of our public housing stock, we have embarked on an ambitious modernization program to replace aging major components such as roofs, windows, plumbing, and heating systems. During the past five years, 282 units of OHA public housing has been modernized at an average per unit cost of $24,000. We have 2,272 units planned for modernization under our five year plan at a total cost of $52 million dollars.

Our senior citizen buildings range in age from 6 - 24 years old. There are no long-term vacancies in any of our public housing developments.

RENT COLLECTIONS AND OPERATING SUBSIDY

Our HUD operating subsidy for 1988 totalled $3.5 million at an average per unit per month subsidy of $93.83. The average rent paid by an OHA resident is $114.29 per month. Our average monthly cost to maintain and manage a unit is $150 excluding utilities. We have a good rent collection rate, with only 3.5 percent of our residents in arrears.

PROFILE OF RESIDENTS OF OMAHA PUBLIC HOUSING

We house 3,043 families; 1,619 seniors; and 784 physically or mentally disabled persons.

The average annual income of a public housing household is $5,813. The average length of tenure of a public housing resident household is 5 years and 3 months.

The income and average length of tenure are virtually same for residents assisted by the Section 8 program.

The average age of the head of household in family public housing is 33 years, with Sec. 8 heads of household averaging 37 years. Our seniors average age is 70 years.

The average number of children in conventional public housing as well as Section 8 assisted housing is two children, with an average age of 7 in public housing and age 8 in Section 8.

Our waiting list for conventional public housing has 1236 families on it and 102 seniors. The Section 8 waiting list has 1858 families waiting for rental assistance and 52 seniors. In sum, we have 3,094 families waiting for public or Section 8 assisted housing, and 154 seniors on the same waiting lists.

DRUG ARRESTS ON OHA PROPERTY

For the one year period beginning in June of 1988, there have been 903 drug arrests in the city of Omaha. Of that number, 144 drug-related arrests have been on OHA property. And of those 144 arrests, 60 have been nonresidents of public housing.

ANTI-DRUG AND YOUTH PROGRAMS

Our anti-drug and youth programs, which I will describe in more detail, are funded from our operating subsidy, from a $25,000 United Way grant, from the Omaha business community, and from a number of colleges and universities.

SECTION 8 RENTAL ASSISTANCE

We have 2,231 units of Section 8 rent-assisted housing under contract; 636 families with vouchers; and 347 units of Section 8 Moderate Rehab units.

FOCUS ON THE CHILDREN

The Omaha Housing Authority has developed and implemented a variety of programs aimed at enhancing the opportunities for public housing residents to become economically and socially independent. These programs —include combating crime, pushing education, encouraging cleanliness and a get out the vote campaign.

The main focus of the majority of these programs is our children, who must be considered at-risk, because of exposure to illegal drugs, gang activities, and the violence which always accompanies

the two. We don't want to see the children of public housing today have the need to be in public housing when they are adults. We stress education as an avenue for achieving this goal.

Because of the economic environment in which they live and other factors, most public housing youths possess a very low self-image. They lack confidence in their ability to achieve in school, and often exhibit unacceptable behavior in the classroom. As a result of low self-esteem, the dropout rate for these young people is often higher than average. It is only through the restoration of personal pride, of self-worth, in our public housing youths that we can ever hope to see them as self-sufficient adults.

EDUCATIONAL-PROGRAMS

We have formed a partnership with the Omaha Public Schools (OPS) that allows us to return school drop-outs to the classroom with a minimum of red tape. OPS has been extremely cooperative in helping parents who reside in public housing to attend parent-teacher conferences.

This has been achieved by bringing teachers to our housing sites to meet personally with parents. Periodically -- usually twice a year -- school principals, from every Omaha school in which public housing children are enrolled, meet with housing authority staff and leaders of our resident organizations. Also, school staff very frequently contact us when public housing students are having problems -- absences, need for tutoring, etc.

An outgrowth of this partnership was the establishment of a Study Center at one of our multi-family developments. Today we have a Study Center at each of our family developments. Two evenings each week, volunteers are on hand to tutor our students who need assistance.

The volunteers come from the housing authority staff, from a student group at Creighton University, retired school teachers, and from various businesses throughout our community. The centers are equipped with desks, chalkboards, textbooks, workbooks and a variety of other teaching aids donated by the Omaha Public Schools.

The number of students taking advantage of the program is increasing weekly, and the results are very encouraging. Their grades have risen dramatically, and we have seen remarkable improvement in their classroom behavior. There are countless success stories to tell, but perhaps this remark made by one of the public school teachers says it best: "I wish every child in my classroom lived in public housing."

An extension to our educational projects is our athletic program. In the fall of 1988 we organized a football team (The "OHA Heavy Hitters") for our children ages 10 to 12 years. The team was

coached and managed by OHA staff. Cheerleaders (also residents) for the team were also sponsored by OHA staff.

During the winter months our basketball team took top honors in a city-wide league as well as in the Cornhusker state games last weekend; and our track team (the "Running Authority") won the state Junior Olympics Track Meet, the Cornhusker state games, and is competing this month in the National Junior Olympic finals in Spokane.

We insist that children attend school if they are to participate in athletic activities. One cannot practice unless he/she is in school on that day. If one misses a single practice during the week he/she cannot play that particular week. It is another way of teaching responsibility and holding these youngsters accountable for their actions. We have seen a tremendous increase in our school attendance among all the youths who participate in our athletic programs.

INCENTIVE AWARDS AND SCHOLARSHIPS

The partnership with the schools and the Study Centers were a start. Next came our academic incentive awards and scholarship programs. In August of 1986 our Board of Commissioners created the Omaha Housing Authority Foundation, Inc.

It is funded mainly through an agreement between the Authority and the local cable television company. For less than what other subscribers pay, public housing residents are provided 41 channels of cable-TV. The authority collects monthly cable charges along with rent, and one dollar of each cable payment goes into the Foundation treasury. Authority employees may also contribute to the Foundation through payroll deduction, and many have opted to do so.

Among its other worthy purposes, the Foundation awards an annual $2,500 scholarship to the public housing high school graduate with the highest grade point average (GPA). It also provides for scholastic incentive awards to those in lower grades: public housing students with perfect school attendance are given $100 savings bonds, as are those who excel academically. In addition, funds from the Foundation provide rent assistance to public housing families who may experience financial or other emergencies.

This summer we have received an additional $5,000 in scholarship funds from a local church ($2,500), and the National Conference of Christians and Jews ($2,500) to award additional scholarships to graduating seniors who reside in our public housing. It shows our residents that the entire city is willing to help those who show a desire to help themselves.

During the past 18 months we have contacted three local institutions of higher learning, seeking additional educational assistance for our prospective college students. As a result of this effort, Creighton University awards a full four-year scholarship each year to one of our high school graduates; The University of Nebraska at Omaha provides three full scholarships each year; and the College of St. Mary's provides a full scholarship every four years. Additionally, Langston University in Oklahoma provides a full scholarship annually to an OHA graduate.

DRUGS, GANGS AND VIOLENCE VISIT OMAHA

We could deny the existence of drugs and gangs in Omaha. Unfortunately, they have been with us since 1986. Most of these drug activities, plus the violence that accompanies them, are concentrated in and around Omaha's low-income housing sites.

This summer, as a result of ongoing communications between OHA officials and civic leaders, the business community pledged a $700,000 contribution to combat violence and crime in our housing developments. These dollars are being expended to provide a variety of programs and activities for Omaha's low-income youths, and training and job opportunities for the older teenagers.

EVICTION POLICY TIGHTENED

At the Omaha Housing Authority we stress responsibility and accountability. Accordingly, over two years ago we strengthened our policy on evictions by a considerable measure.

If we have evidence a member of a household is selling, using or even in possession of illegal drugs, that family is served a three-day notice to vacate. This policy covers not only involvement by the head of the household, but children and visitors as well. Moreover, even if the criminal activity takes place off Authority premises, the eviction may be carried out.

While this policy may seem to be strict and cold-hearted, it should be noted that OHA staff works closely with residents and other community groups and agencies to provide counseling and referral when possible, prior to eviction. We feel our responsibilities are to house individuals, and not to evict them. However, we insist that they adhere to our rules and regulations so we can maintain a safe living environment for all of our residents.

RESIDENT RELATIONS

We feel the key to creating a healthy and positive living environment lies in our relationship with our residents. Accordingly, we established a Resident Relations Division.

The workers in this division are, among their other duties, responsible for operating our Study Centers. They also work closely with the Omaha Public Schools, the resident organizations, and the wide range of service agencies and organizations which serve the community.

In conjunction with our educational programs, they are contacted by OPS when a child is not in school for more than one day. The resident Service Coordinator calls at the household to determine what the problem is and its extent. We allow for no excuses: if children are not in school because they have no clothes, we shall provide them clothing; if they have no food, we will feed them; if they missed their bus, we will provide transportation. We consider one day out of the classroom an educational opportunity for our children that has been forfeited.

CLEANUP CAMPAIGN

Each spring and fall, all housing authority offices are closed for one day. Aside from two persons left at each site to respond to emergencies, all other administrative and maintenance employees, even Commissioners, report in work clothes to a pre-designated multi-family site. Here they are issued rakes, shovels, and brooms.

Personnel then spread out over the development and spend the day making it the bright spot of the community. Aside from the visible results, which are very noticeable, it provides employees an opportunity to work side by side with residents for the day, an opportunity seldom experienced by many administrative personnel. It reiterates the fact that OHA staff cares about residents, and strives to create an environment that is conducive to positive learning.

GET OUT THE VOTE CAMPAIGN

In the months leading up to the 1988 primary and general elections, OHA undertook a massive voter registration drive, and on election days knocked on doors and provided some 1,000 newly registered voters transportation to the polls.

Twenty-five Authority staff members have been trained, sworn in, and serve as registrars for the Douglas County Election Commission. Registering persons to vote is a program carried out 12 months per year at all OHA office sites.

OPERATION SHADOW

Perhaps one of the most innovative steps we have taken to discourage our public housing children from becoming involved in drugs and gang activities has been "Operation Shadow." This program was designed to protect our at-risk youngsters from becoming involved in criminal activities. We concluded that we could not wait

for the community and the service agencies to come up with a solution. We had to take the initiative ourselves.

The shadow program is based on the premise that positive role models are most often lacking in public housing. On the other hand, role models among OHA personnel are in abundance.

Operation Shadow pairs up a public housing child (ages six to 16) with a maintenance or administrative worker. The youngster then "shadows" the employee for at least two hours per day while the worker goes about his or her daily duties.

The activities were confined not just to working hours. Many employees take their shadows to baseball games, to the local zoo, on fishing trips and other outings. While it is understandably curtailed to some extent during the school year, the program continues, and has now been in effect for over a year.

At this point we cannot assess the long-range effects of the program. That will only be known when today's shadows reach adulthood. Hopefully they will look back on the hours they spent with an OHA worker, observing that he or she was performing an honest job for honest pay. We would also like to believe that, at some future date, they will serve as role models for those who, once like themselves, are endangered by the criminal element which surrounds them.

CONCLUSION

In order to fight the war on drugs in our communities, we need federal financial assistance. We cannot fight the war alone, nor can we beg, borrow and steal from current HUD programs which are already underfunded and have very different purposes.

1. APPROPRIATE $50 MILLION IN THE FY'90 HUD APPROPRIATION FOR THE LAUTENBERG PUBLIC HOUSING DRUG ELIMINATION PILOT PROGRAM.

This is intended to beef up both physical security and a security presence within public housing communities as well as fund treatment services. This program (Sec. 5121) was authorized in last Fall's Omnibus Drug Law, but remains unfunded.

This is not a lot of money, Mr. Chairman. The Chicago Housing Authority has testified that it has "swept" eight high-rise buildings of drug dealers and illegal residents, consolidating vacancies, and making repairs to units. The cost: $1-million per building, excluding police costs. There are 34 more buildings to be swept in Chicago alone.

At the same hearing before the Senate Governmental Affairs Subcommittee on Investigations, the New York City Housing Authority testified how it could use $8 million in its anti-drug efforts right now.

2. APPROPRIATE $34 MILLION IN THE FY'90 HEALTH AND HUMAN SERVICES APPROPRIATION FOR THE DRUG TREATMENT DEMONSTRATION PROGRAM FOR TARGET POPULATIONS

This program also authorized but unfunded in the Omnibus Drug law, targets treatment to high-risk populations including adolescents, minorities, pregnant women, female addicts and their children, and residents of public housing. (Sec. 2055)

We understand Chairman Cranston was instrumental in having this Demonstration program included in the Omnibus Drug authorization.

3. APPROPRIATE $40 MILLION IN THE FY'90 DEPARTMENT OF JUSTICE BLOCK GRANT to research the illegal manufacture and sale of drugs in, among other places, public housing. (Sec. 5104)

4. AUTHORIZE AND APPROPRIATE $3.5 BILLION FOR THE PUBLIC HOUSING MODERNIZATION PROGRAM IN FY'90

The modernization program has a $21 billion backlog. There are 78,000 vacant public housing units nationwide. Many are vandalized and lend themselves to drug and other criminal activity, threatening our communities. We cannot afford to let this resource be diverted.

5. FEDERAL FORFEITURE LAWS AND EQUITABLE SHARING OF DRUG-RELATED CASH AND ASSETS MIGHT BE EXPANDED TO PHAs as a means of financing improved security measures at public housing developments.

6. DRUG CONVICTIONS OF public housing residents and residents of other federally-assisted housing should be GROUNDS FOR DENIAL OF ADMITTANCE TO FEDERALLY-ASSISTED HOUSING PROGRAMS FOR A MINIMUM PERIOD OF 5 YEARS.

7. ENACTMENT OF THE "GATEWAY" BILL (HR916) of Rep. Louis Stokes authorizing a Labor Department program of LITERACY TRAINING, AND JOBS TRAINING FOR RESIDENTS OF PUBLIC HOUSING. We understand a companion bill will soon be introduced in the Senate by Senator Mikulski.

8. AUTHORIZATION AND APPROPRIATION OF <u>PROJECT INDEPENDENCE</u> proposed in the "National Affordable Housing Act" <u>AS A SEPARATE LINE ITEM.</u>

NAHRO estimates the $25 million proposed in the Cranston bill will fund either:

a) 30 one or two-purpose family centers at public housing sites at an average cost of $225,000/facility plus a $22,500 share of support services per year, <u>or</u>:

b) 15 multi-purpose facilities and attendant services at $450,000 per facility and $112,500 share of support services.

9. MODIFY S. 566 TO MAKE SERVICE COORDINATION AN ELIGIBLE PROJECT COST AS WELL AS 15 PERCENT OF THE COST OF SUPPORT SERVICES

Direct support services must be attracted to public housing sites. Fifteen percent funding by HUD of such services can help attract the balance of funding from other federal, state, and local public and private service providers. NAHRO recommends 5-year renewable service contracts.

NAHRO strongly suggests that child care be added to S. 566 as a specific supportive service in Project Independence for families in public housing.

Other potential services:

- family counselling
- job training
- literacy training
- after school tutoring/recreation

COMMENTS ON SECRETARY KEMP'S 10 POINT DRUG PLAN

1. Tighten security by quickly evicting illegal tenants, furnishing legitimate residents with I.D. cards, repairing public areas, and training guards

NAHRO RESPONSE:

We agree with quicker eviction efforts of HUD by eliminating a redundant hearing process where state or local tenant/landlord law provides due process protections.

We urge members of this Subcommittee to prevail on your colleagues on the Appropriations Committee to repeal Sec. 404 of the FY'89 Supplemental Appropriations bill which would thwart that effort.

We believe there may be more appropriate building access means other than individual identification cards. For example, many private building management companies use building access cards or monitored "buzz in" systems.

NAHRO agrees with the need to repair public areas, but emphasizes that additional funding is needed for this activity through public housing operating subsidies for repair and through the modernization program for major redesign, lighting, installation of security cameras, buzzer doors, and the like.

We agree with the need for training additional security guards, but emphasize that this should be funded as a separate line item from operating subsidies.

2. Waiver of unnecessary federal lease and grievance rules to evict tenants engaged in illegal drug activities. HUD will not require duplicative administrative proceedings when due process protections are fully afforded by state or local law.

NAHRO agrees with this on-going HUD effort.

3. Asking US Attorneys to seize apartments of drug dealers and users and return them to legitimate law abiding tenants.

NAHRO agrees with the use of the federal forfeiture statute to aid PHAs with severe crack house problems where all else has failed to remove illegal occupants.

4. Reclaiming vacant units for legitimate purposes and denying drug dealers access to such units

NAHRO believes the most direct and simplest way to do this is by beefing up the Public Housing Modernization authorization and appropriation in FY'90 to $3.5 billion.

NAHRO believes $3.5 billion is a reasonable level to begin working off the HUD-documented $21 billion backlog and to provide a realistic replacement reserve. There are 78,000 long-term, vacant public housing units nationwide. We cannot afford to let them sit idle, unoccupied, vandalized, and devoted to illicit drug use.

5. Enforcing Housing Code standards

NAHRO is not clear on what Secretary Kemp intends here.

Realistically, code enforcement must go hand-in-hand with sufficient operating subsidies and modernization monies to bring units into code compliance. Otherwise, code compliance is unable to happen.

6. Encouraging resident management and homeownership efforts

As James Rouse told this Subcommittee, resident management should not be regarded as a panacea for problems of drugs, deterioration, and related issues confronting public housing.

Unquestionably, resident involvement in the drug fight is critical. Anonymous telephone tip lines, neighborhood watch, police training of residents in surveillance and indicators of drug activity, are all important. They go hand-in-hand with youth education and recreation activiites, proper parenting and supervision of children.

7. Establising Anti-Drug Hotline at HUD for residents to report drug-related criminal activity in confidence

We believe anonymous telephone tip lines on suspicious activity should be the responsibility of local agencies and police departments.

8. Terminating immediately eligibility for Section 8 rent vouchers or certificates of persons convicted of drug crimes and barring them from other subsidized housing

The NAHRO Drug Task Force made this same recommendation to HUD.

9. Using Modernization funds and Operating Subsidies to support anti-drug efforts

NAHRO strongly disagrees with this proposal. We cannot fight the drug war with existing resources intended for other high priority purposes. And, as HUD's own June 9 report to Congress demonstrates, the drug problem, size, and configuration of public housing developments, tenant demographics, etc. preclude simple formula solutions or amounts to deal with the problem.

NAHRO strongly supports separate line item funding for the three programs previously cited which were authorized in the Omnibus Drug Law and remain unfunded. We do not support cannibalizing from existing HUD programs to fight the war on drugs.

10. Finding money in HUD to support Boys and Girls Clubs to set up athletic programs in public housing.

We agree that athletic programs can engage public housing youth in constructive activities. HUD funding of privately-funded, nonprofit Boys and Girls Clubs as a means of attracting them to public housing developments is one option.

We do not support diverting HUD funds from current programs for this purpose. We also suggest local PHA jaw-boning of local voluntary youth services groups in concert with efforts at the nationa level by Secretary Kemp with their national leadership might produce similar results.

I want to express my sincere appeciation for being given the opportunity to testify before you today, and I shall be more than happy to respond to any questions you may have about our programs.

UNITED STATES SENATE

SENATE SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

ROUNDTABLE HEARING

"DRUGS IN FEDERALLY ASSISTED HOUSING"

JULY 20TH, 1989

TESTIMONY

SUBMITTED BY:

ANDRES GARCIA
DIVISION DIRECTOR
CITY OF BUFFALO
DIVISION OF SUBSTANCE ABUSE
SERVICES

Housing Projects frequently exhibit disproportionate levels of social problems due to the unfortunate fact that they are often the last or only housing alternative for many socio-economically disadvantaged families and individuals. Often feeling powerless to break the cycles of poverty and discrimination, many residents, particularly youth and young adults, associate their misfortune with their living environment. In addition to dealing with behaviors that may reflect their own or other residents frustration and dis-enfranchisement from society and the community in general, there is little respect for the environment and little recognition that residents have the ability to control and improve it as well. Creating an opportunity to recognize this ability and developing the resources to enable the process, is a basic principle supporting the design and development of the Buffalo HUD Project.

Unquestionably, substance abuse is a significant problem affecting housing project residents. Both abusers and non-abusers suffer the consequences of behaviors associated with substance abuse, and frequently non-abusers feel an even greater inability to contend with or alter these circumstances than the abusers. Frustration, anger, fear, isolation,

INTIMIDATION AND REAL PHYSICAL HAZARDS ARE ELEMENTS OF THE PROBLEM THAT MUST BE ADDRESSED IN ANY COMPREHENSIVE EFFORT TO DEAL WITH SUBSTANCE ABUSE IN PUBLIC HOUSING.

IT IS PRESUMED THAT WITH ADEQUATE RESOURCES AND REASONABLE EXTERNAL INTERVENTION, RESIDENTS CAN BECOME ENABLED TO SEEK AND SECURE SOLUTIONS TO THESE AND OTHER COMMUNITY PROBLEMS. WITH THE RESULT OF AN IMPROVED ENVIRONMENT, A SENSE OF PRIDE AND RESPONSIBILITY FOR THE NEIGHBORHOOD WILL DEVELOP AND PROVIDE A BUILDING BLOCK FOR SELF-ESTEEM AND MOTIVATION TO UNDERTAKE EFFORTS TO IMPROVE OTHER CONDITIONS IN BOTH THEIR COMMUNITY AND PERSONAL LIVES.

THIS PROJECT DOES NOT ADDRESS ISSUES OF LAW ENFORCEMENT AND SECURITY. IT IS RECOGNIZED THAT CONSISTENT AND STRINGENT ENFORCEMENT OF LAW AND HOUSING POLICY ARE ESSENTIAL TO MAINTAINING AN ENVIRONMENT WITHIN WHICH A PROJECT OF THIS NATURE CAN WORK. SINCE THERE ARE ALREADY NUMEROUS PROJECTS AND EFFORTS UNDERWAY TO ADDRESS DRUG SUPPLY AND OTHER LEGAL AND REGULATORY CONCERNS AT PUBLIC HOUSING SITES, THIS PROJECT IS INTENDED TO BE THE MUSCLE ADDED TO THE SKELETON OF A COMPREHENSIVE FFFORT.

THIS PROJECT TARGETS FOUR SPECIFIC AREAS IDENTIFIED AS ESSENTIAL TO MAKE THE PROJECT SUCCESSFUL, AND GENERALLY WILL APPLY TO MOST PUBLIC HOUSING ENVIRONMENTS. THE ELEMENTS ARE:

1) COMMUNITY ORGANIZATION, 2) DEVELOPMENT OF POSITIVE ALTERNATIVE ACTIVITIES, 3) PROMOTION OF ACCESS TO TREATMENT AND PREVENTION SERVICES, 4) DEVELOPMENT OF ADEQUATE TREATMENT AND PREVENTION RESOURCES.

ALL FOUR ELEMENTS ARE ESSENTIAL IF THE PROJECT IS TO DEAL COMPREHENSIVELY WITH THE ISSUE AND IS TO HAVE ANY LASTING EFFECT. BRIEFLY, THE ELEMENTS WERE DESIGNED TO ACHIEVE THE FOLLOWING: 1) COMMUNITY ORGANIZATION EFFORTS ARE THE BASIC BUILDING BLOCK OF THE PROJECT AND WERE DEVELOPED TO CREATE A SENSE OF NEIGHBORHOOD AND MUTUAL SUPPORT. COMMON UNDERSTANDING OF THE PROBLEM AND A SENSE OF UNITY IN ADDRESSING PROBLEMS ARE THE BASIS FOR EMPOWERING RESIDENTS TO BELIEVE AND ACT WITH CONFIDENCE THAT THEY CAN, WITH ADEQUATE COMMUNITY RESOURCES, SUCCEED. THESE EFFORTS WILL ALSO PROVIDE POSITIVE EMOTIONAL VEHICLES TO DEAL WITH FEELINGS OF FRUSTRATION, ANGER, FEAR AND ISOLATION. ONCE RESIDENTS ACHIEVE SUCCESS WITH THIS ISSUE, THEY WILL UTILIZE THEIR SUCCESS AND ORGANIZATION AS A BASIS TO SEEK ADDITIONAL PUBLIC RESOURCES AND DEVELOP SOLUTIONS TO OTHER IMPORTANT SOCIAL AND NEIGHBORHOOD PROBLEMS. AGAIN, THIS IS THE BASIC BUILDING BLOCK OF THE PROJECT.

2) POSITIVE ALTERNATIVE ACTIVITIES WERE DESIGNED TO REINFORCE THE SENSE OF COMMUNITY AND TO PROVIDE REAL OPPORTUNITIES FOR RESIDENTS TO PARTICIPATE IN HEALTHY AND PRODUCTIVE ENDEAVORS. ALTERNATIVE ACTIVITIES WERE DESIGNED TO PROMOTE AND ENCOURAGE INVOLVEMENT BY BEING CULTURALLY APPROPRIATE AND ECONOMICALLY

ACCESSIBLE. THEY PROVIDE ADDITIONAL HEALTHY OUTLETS FOR RESIDENTS' FEELINGS OF FRUSTRATION, FEAR AND ISOLATION. IN MANY CASES, ALTERNATIVES FOR YOUTH PROVIDE MUCH NEEDED RESPITE FOR SINGLE PARENTS AS WELL AS OPPORTUNITIES FOR PERSONAL EXPRESSION AND EXPERIENCES TO SATISFY THE NATURAL EXPERIMENTAL AND INQUISITIVE BEHAVIORS OF YOUTH WHICH ARE OFTEN TARGETED TOWARD DRUG EXPERIMENTATION WHEN OTHER MORE HEALTHY ALTERNATIVES ARE NOT AVAILABLE.

ALSO, INTERGENERATIONAL SERVICES, BOTH VOLUNTARY AND IN SOME CASES EMPLOYMENT OPPORTUNITIES FOR YOUTH, ARE PLANNED TO PROMOTE INTEGRATION OF THE PROJECT RESIDENTS. THEY ARE DESIGNED TO ACHIEVE A SENSE OF RESPONSIBILITY FOR THE ELDERLY BY YOUTH AND A SENSE OF SECURITY FOR THE ELDERLY WHO ARE OFTEN INTIMIDATED AND FURTHER ISOLATED DUE TO FEAR OF PHYSICAL HARM OR HARASSMENT BY YOUTH.

3) PROMOTING ACCESS TO TREATMENT AND PREVENTION SERVICES IS ACCOMPLISHED THROUGH AGGRESSIVE OUTREACH EFFORTS WHICH INCORPORATE BOTH COMMUNITY EDUCATION FOR RESIDENTS IN GENERAL, AND HOUSING PROJECT BASED ASSESSMENT/REFERRAL SERVICES IN PARTICULAR, FOR ABUSING AND AT RISK PERSONS. COMMUNITY EDUCATION IS DESIGNED TO PROMOTE A CLEAR UNDERSTANDING OF THE ISSUE AND TO DEMYTHOLOGIZE THE PROBLEM AS UNSOLVABLE, AGAIN PROMOTING THE PRINCIPLE OF EMPOWERING RESIDENTS TO TAKE RESPONSIBILITY FOR AND CONTROL OF THEIR LIVING ENVIRONMENT. OUTREACH OFFICES LOCATED AT SEVERAL OF THE PROJECT SITES ARE

INTENDED TO BECOME HIGHLY VISIBLE AND EVENTUALLY A MULTI-DISCIPLINARY RESOURCE CENTER WHERE RESIDENTS CAN SECURE INFORMATION AND ACCESS TO AN ARRAY OF SOCIAL AND COMMUNITY SERVICES.

4) DEVELOPMENT OF ADEQUATE TREATMENT AND PREVENTION SERVICES SPECIFICALLY TARGETED AND/OR ACCESSIBLE TO PROJECT RESIDENTS HAS BEEN UNDERTAKEN. THE MOST CRITICALLY UNAVAILABLE RESOURCE LOCALLY WAS INPATIENT DETOXIFICATION AND REHABILITATION. WITH THE FINANCIAL COOPERATION OF NEW YORK STATE DSAS, THE CITY OF BUFFALO AND HUD, SHEEHAN MEMORIAL HOSPITAL DEVELOPED A 30 BED HOSPITAL UNIT WHICH TARGETS PUBLIC HOUSING RESIDENTS, WHILE STILL AVAILABLE TO THE ENTIRE COMMUNITY AS WELL. IN ADDITION, EXPANDED AMBULATORY TREATMENT SERVICES WERE DEVELOPED AND MORE WILL BE ADDED AS THE PROGRAM REFLECTS INCREASED DEMAND. IT IS ESSENTIAL THAT THESE RESOURCES BE AVAILABLE IF THE COMMUNITY ORGANIZATION AND OUTREACH EFFORTS ARE TO SUCCEED.

IN ADDITION, IT MUST BE RECOGNIZED THAT PUBLIC HOUSING RESIDENTS ARE FREQUENTLY THE OBJECT OF NUMEROUS FEDERAL SOCIAL AND ENTITLEMENT PROGRAMS. GIVEN THE CONCENTRATION OF THIS POPULATION, IT MAKES SENSE TO ENHANCE EFFORTS TO COORDINATE AND OPTIMIZE THESE SERVICES THROUGH A CRITICAL EVALUATION OF RESOURCE NEED AND RESOURCE ENHANCEMENT. NOT ONLY MUST DRUG TREATMENT AND PREVENTION SERVICES BE ADDRESSED,

BUT THE VERY ELEMENTS WHICH PRECIPITATE THE CONTINUED DOWNWARD SPIRAL OF SOCIO-ECONOMIC DISADVANTAGE MUST BE INCLUDED. EDUCATION, DROPOUT, WORK STUDY, SUMMER YOUTH, VOCATIONAL REHABILITATION, EMPLOYMENT AND TRAINING, HEALTH AND OTHER SOCIAL SERVICE PROGRAMS MUST BE COORDINATED AND WHERE NECESSARY, ENHANCED.

BUILDING NEIGHBORHOOD SUCCESS AND THE SELF-ESTEEM OF RESIDENTS BY EMPOWERING THEM WITH THE SKILLS AND RESOURCES TO IMPROVE THEIR ENVIRONMENT AND LIVES IS A DIFFICULT, EXPENSIVE AND LONG-TERM EFFORT. HOWEVER HOUSING PROJECTS OFFER UNIQUE MICROCOSMS OF LARGER AND MORE MANAGEABLE SOCIAL SYSTEMS. TARGETING THEM FOR CONCENTRATED AND COMPREHENSIVE CAMPAIGNS MAY PROVE TO BE A VALUABLE STRATEGY IN ATTACKING AND RESOLVING SYSTEMATIC PROBLEMS NEIGHBORHOOD BY NEIGHBORHOOD, FAMILY BY FAMILY, AND PERSON BY PERSON, WHICH IS ULTIMATELY HOW CHANGE MUST OCCUR.

DSAS/BMHA/HUD

PROJECT COMPONENTS

PREVENTION EDUCATION CURRICULUM

THE PREVENTION OF SUBSTANCE MISUSE AND ABUSE THROUGH COGNITIVE AFFECTIVE DEVELOPMENT AND ALTERNATIVES IS THE FOCUS OF THIS COMPONENT.

THESE STRATEGIES FOCUS ON DEVELOPING POSITIVE SELF CONCEPTS, DEVELOPING SUCCESSFUL INTERPERSONAL SKILLS, WHICH INCLUDE SELF-ASSERTIVENESS AND OPEN COMMUNICATION AND DEVELOPING PROBLEM SOLVING AND DECISION MAKING SKILLS.

THROUGH ALTERNATIVE ACTIVITIES, INDIVIDUALS ARE ENCOURAGED TO PARTICIPATE IN RECREATIONAL ACTIVITIES, VOCATIONAL TRAINING AND COMMUNITY SERVICE PROJECTS.

PARENT EDUCATION

PARENTS ARE THE FIRST AND PRIMARY EDUCATORS. THEY AFFECT SUCH THINGS AS SELF-ESTEEM AND THE COPING SKILLS THAT A CHILD DEVELOPS TO DEAL WITH LIFE SITUATIONS. IF A PARENT DOES NOT HAVE THE AWARENESS OR POSSESS THE ALL IMPORTANT SKILLS TO HELP IN THE CHILD'S DEVEMOPMENT, THE RESULTS ARE OFTEN NEGATIVE.

OUR GOAL IS TO FIRST HELP PARENTS TO FEEL GOOD ABOUT THEMSELVES SO THEY CAN TRANSPLANT THE FEELING TO THEIR CHILDREN. SECONDLY, WE WANT TO DEVELOP INDIVIDUAL PARENTING SKILLS THEREBY CREATING MORE EFFECTIVE PARENTS.

THIS WILL BE DONE BY:

1) CREATING AN ARENA TO ADDRESS PARENT CONCERNS (MEETINGS, GROUPS, PARENT IDEA EXCHANGE, WORKSHOPS)
2) DEVELOP A LINK WITH THE COMMUNITY, HOME AND SCHOOL
3) PROVIDE ALTERNATIVES FOR PARENTS (SOCIAL EVENTS, FITNESS PROGRAMS)
4) PROVIDE SUPPORT

INTERGENERATIONAL COMPONENT

ANOTHER REASON FOR DRUG PROBLEMS AMONG THE ELDERLY IS A SENSE OF REJECTION AND USELESSNESS, INCREASED LEISURE TIME, BOREDOM, FEAR AND A LACK OF CHALLENGING ACTIVITIES. LONELINESS IS A MAJOR PROBLEM FOR MANY PEOPLE AND IT IS MORE COMMON IN THE ELDERLY.

OUR GOAL IS TO ENRICH THE LIFE EXPERIENCES OF CHILDREN AND SENIOR CITIZENS. THIS COMPONENT ADDRESSES THE EMOTIONAL NEEDS OF THE AGING SO AS TO EFFECTIVELY ELIMINATE THE TENDANCY TO TURN TO NEGATIVE BEHAVIOR.

OUR PLAN FOR AN INTERGENERATIONAL PROGRAM WILL ADDRESS THE PHYSICAL, PSYCHOLOGICAL AND SOCIAL STRESSES THAT WE KNOW EXISTS AMONG THE ELDERLY.

GIVEN AN OPPORTUNITY TO BECOME INVOLVED IN PROGRAMS THAT INVOLVE YOUTHS AND OTHER ADULTS, ALL PARTIES DEVELOP A SENSE OF SELF-WORTH AND SELF-ACCEPTANCE ALONG WITH DEVELOPING TRUST AND APPRECIATION FOR OTHERS' PLACE IN THE WORLD.

ACTIVITIES WILL INCLUDE:

- Drug Awareness programs
- Exercise/Relaxation
- Arts and Crafts
- Nutrition (Cooking)
- Self Care Programs
- Field Trips
- Social Events (cultural)

MENTOR PROGRAM

Mentoring is a particular relationship in which a person with identified abilities and talents enables another person to develop his or her own abilities and talents.

Through our program, students from the BMHA developments will be provided with positive role models which will enhance personal growth and development and encourage realistic future goals.

GIRL SCOUTS/BOY SCOUTS

The development of Boy Scout and Girl Scout Troops in Public Housing encourages close working relationships with youth-serving organizations and groups.

Our program goals are:

1. To involve residents as participants in Scouting programs and leadership.
2. To enhance communication between management and residents.
3. To reduce maintenance costs caused by vandalism.
4. To encourage Housing managers to support Housing residents' involvement in improvement efforts.

OUTREACH/LINKAGE TREATMENT

THE DSAS/BMHA/HUD SATELLITE OFFICES WILL SERVE AS A BASIS FOR COMMUNITY ORGANIZING EFFORTS AND AUXILIARY SOCIAL SERVICE ACTIVITIES.

THIS COMPONENT IS DESIGNED TO DEVELOP AND MAINTAIN OUTREACH ACTIVITIES TOWARD:

- ENCOURAGING THE ACTIVE PARTICIPATION OF SUBSTANCE ABUSERS, THEIR FAMILIES, AND RESIDENTS IN THE TARGETED SERVICE AREAS OF THE HOUSING PROJECTS IN SUBSTANCE ABUSE PROGRAMS.
- INCREASING THE AWARENESS OF SUBSTANCE ABUSERS, THEIR FAMILIES, AND INDIVIDUALS AT RISK FOR SUBSTANCE ABUSE OF THE SERVICES OF THE BMHA/HUD PREVENTION, INTERVENTION AND TREATMENT PROGRAM.
- IDENTIFYING INDIVIDUALS WHO EVIDENCE A HIGH RISK FOR SUBSTANCE ABUSE, DIRECT THEM TO THE MOST IMMEDIATE AND EFFICIENT SERVICE AND/OR ENGAGE THEM IN HEALTHY ALTERNATIVES TO SUBSTANCE ABUSE.

THE TREATMENT COMPONENT IS DESIGNED TO PROVIDE DIRECT DRUG ASSESSMENT, MEDICAL EVALUATION, DRUG-FREE COUNSELING, TREATMENT, AND LINKAGES TO TREATMENT (DETOXIFICATION/REHABILITATION) TO INDIVIDUALS WHO RESIDE IN THE BMHA PROJECT DEVELOPMENT.

TUTORIAL PROGRAM

THIS COMPONENT IS DESIGNED TO RAISE THE LEVEL OF ACADEMIC ACHIEVEMENT AMONG STUDENT TENANTS OF THE BMHA.

THE AFTER-SCHOOL TUTORIAL COMPONENT WILL BE LOCATED AT THE DSAS OFFICES OF THE BMHA/HUD SELECTED HOUSING PROJECT SITES; AND IT WILL BE OPERATED IN CONJUNCTION WITH THE BUFFALO BOARD OF EDUCATION. TEACHERS WILL PROVIDE HOMEWORK ASSISTANCE IN REMEDIAL MATH, SCIENCE AND READING -- THUS ENCOURAGING A PRODUCTIVE DRUG-FREE LIFESTYLE.

RECREATIONAL COMPONENT

IT IS OUR BELIEF THAT SPORT COMPETITION AND PARTICIPATION IN PHYSICAL ACTIVITY HAVE DEEP EDUCATIONAL VALUES THAT SHOULD BE AVAILABLE TO EVERY INDIVIDUAL.

THIS COMPONENT IS DESIGNED TO HELP INDIVIDUALS FIND OUT ABOUT REWARDING ACTIVITIES THAT ARE APPROPRIATE ALTERNATIVES TO TAKING DRUGS. ACTIVITIES THAT PROVIDE OPPORTUNITIES FOR GROWTH, ACHIEVEMENT AND CONTACT WITH POSITIVE ROLE MODELS. FINDING THAT "SOMETHING TO DO" GETS RID OF THE BOREDOM, FRUSTRATION, POWERLESSNESS, LACK OF HOPE AND FEELINGS OF ALIENATION WHICH ARE SO OFTEN ASSOCIATED WITH DRUG MISUSE AND ABUSE.

COMMUNITY MOBILIZATION

THIS ALLOWS TENANTS TO CONTROL THEIR OWN ENVIRONMENT, BREAK TOLERANCE TOWARD SUBSTANCE ABUSE, AND ENABLE THEM TO DEVELOP THE TOOLS NECESSARY TO FIGHT THE PROBLEM. IT ALSO DECREASES THE FEELING OF POWERLESSNESS AND ISOLATION WHEN CONFRONTED WITH COMPLEX PROBLEMS SUCH AS SUBSTANCE ABUSE. THIS IS ACCOMPLISHED THROUGH A "COMMUNITY WATCH PROGRAM", EXTENSIVE SUBSTANCE ABUSE TRAINING, PARTNERSHIPS BETWEEN TENANTS AND LAW ENFORCEMENT AGENCIES AND OTHERS.

EMPLOYEE ASSISTANCE PROGRAM

THE EMPLOYEE ASSISTANCE PROGRAM OF THE CITY OF BUFFALO HAS BEEN DESIGNED TO PROVIDE PROFESSIONAL AND CONFIDENTIAL COUNSELING, TREATMENT AND GENERAL REFERRALS FOR MUNICIPAL HOUSING EMPLOYEES WHO ARE EXPERIENCING WORK RELATED PROBLEMS REVOLVING AROUND DRUG AND/OR ALCOHOL USE/ABUSE. WE RECOGNIZE THE DISEASE CONCEPT OF DRUG DEPENDENCE AND ALCOHOLISM AND THAT SUCH DISEASE ARE RESPONSIVE TO TREATMENT. AN EMPLOYEE WILL NOT HAVE HIS/HER JOB, JOB PERFORMANCE OR OPPORTUNITY FOR PROMOTION JEOPORDIZED BY BEING A PARTICIPANT IN THE EAP. CONVERSELY, PARTICIPATION IN THE EAP WILL NOT PROVIDE AN EMPLOYEE PROTECTION FROM ANY DISCIPLINARY ACTION FOR ON-GOING SUBSTANDARD JOB PERFORMANCE OR VIOLATION OF WORK RULES AND REGULATIONS.

TRAINING

THE CITY OF BUFFALO DIVISION OF SUBSTANCE ABUSE SERVICES, IN CONJUNCTION WITH THE NEW YORK STATE NARCOTIC RESEARCH INSTITUTE PROVIDES SUBSTANCE ABUSE TRAINING TO THE LOCAL HUD AND BMHA EMPLOYEES ON SUBSTANCE ABUSE ISSUES. THE PURPOSE OF THE TRAINING IS TO INCREASE THEIR ABILITY TO UNDERSTAND, IDENTIFY AND DEAL WITH THE PROBLEM MORE EFFECTIVELY. THE STAFF INCLUDES MANAGEMENT, MAINTENANCE WORKERS, ADMINISTRAITON AND SECURITY. IN ADDITION, WE PROVIDE TRAINING TO ALL THE BMHA SECURITY RECRUITS AT THE POLICE ACADEMY.

STATEMENT

OF

WADE J. HENDERSON
ASSOCIATE DIRECTOR
WASHINGTON NATIONAL OFFICE
AMERICAN CIVIL LIBERTIES UNION

AND

JACQUELINE BERRIEN
STAFF ATTORNEY
AMERICAN CIVIL LIBERTIES UNION

ON BEHALF OF

THE

AMERICAN CIVIL LIBERTIES UNION

ON

DRUGS IN FEDERALLY ASSISTED HOUSING

BEFORE

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

UNITED STATES SENATE

July 20, 1989

Mr. Chairman and Members of the Subcommittee:

We appreciate the opportunity to present the views of the American Civil Liberties Union regarding federal policy concerning the problem of drug-related violence in federally-assisted housing programs. The ACLU is a nationwide, non-partisan organization of more than 275,000 members devoted to the protection of the Bill of Rights.

As members of this Subcommittee know well, the problem of protecting innocent public housing residents from the ravages of drug-related violence is a difficult and complicated task; but the ACLU believes that the task can be accomplished. Our challenge is to find effective solutions that work without sacrificing the constitutional rights to due process and equal protection of the law for public housing tenants.

As you are aware, Secretary Jack Kemp of the Department of Housing and Urban Development (HUD) announced earlier this year that "eradicat[ion of] illegal drug activity from public housing" will become a "priority" for HUD under his leadership.1/ Secretary Kemp, citing the Anti-Drug Abuse Act of 1988, has urged public housing authorities (PHAs) nationwide to develop programs and policies to address the problem of drugs in public housing, and has emphasized the abbreviation of eviction proceedings as a means of achieving "drug free" public housing.2/ A significant,

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1. 54 Fed. Reg. 15988 (April 20, 1989).

2. See generally, Subtitle C of the Anti-Drug Abuse Act of 1988, Pub. L. No. 100-690, 102 Stat. 4181 (Nov. 18, 1988). §5101 of the Act amends Section 6(l) of the United States Housing Act

albeit controversial element of Secretary Kemp's anti-drug initiative involves the issuance of waivers to PHAs of federally required administrative "lease and grievance" procedures which presently govern the eviction of most tenants in federally assisted housing.3/ The waiver of HUD's lease and grievance procedures permits public housing authorities to by-pass the administrative process and instead, to seek eviction directly through state court proceedings. It has been suggested that the lease and grievance procedures are unnecessarily cumbersome, and have impeded the ability of PHAs to evict tenants engaged in drug-related activity.

The ACLU has two fundamental difficulties with this most publicized aspect of HUD's anti-drug initiative. The first problem involves the failure to provide an opportunity for

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of 1937 to require that each public housing authority (PHA) utilize leases that:

> [P]rovide that a public housing tenant, any member of the tenants household, or a guest or other person under the tenant's control shall not engage in criminal activity, including drug-related criminal activity, on or near public housing premises, while the tenant is a tenant in public housing, and such criminal activity shall be cause for termination of tenancy.

§5103 of the Act requires HUD to report to Congress, within a year of enactment of the law, on the effect of the lease and grievance procedure regulations on the ability of PHA's "to evict or take other appropriate action" against tenants engaging in criminal activity, especially drug-related activity.

3. The first anti-drug related waiver was granted to Alexandria, VA in February 1989 for the Alexandria Redevelopment and Housing Authority. Berke, Housing Agency to Widen Drive on Drugs into Private Operations, NY Times, June 1, 1989 at A20. Since the initial waiver, approximately 29 states or localities have been granted HUD waiver approval.

"notice and comment" to affected tenants and the public about proposed waivers of the lease and grievance procedures. We believe that the notice and comment process is a requirement of current law, and is a substantively important component in determining whether due process protection for tenants will be preserved in cases where eviction proceedings go directly to state court.

In Stanley v. Illinois, 405 U.S. 645, 31 L.Ed.2d 551 (1972), the Supreme Court invalidated a statute requiring illegitimate children of unwed fathers to automatically become wards of the state after the death of their mothers. The statute presumed unwed fathers to be unfit parents. The justification for this presumption offered by the state was the need for efficiency in proceedings. The Supreme Court rejected this reasoning, stating "that the constitution recognizes higher values than speed and efficiency. Indeed, one might fairly say on the Bill of Rights in general and the Due Process Clause in particular, that they were designed to protect the fragile values of a vulnerable citizenry from the overbearing concern for efficiency and efficacy [of the government]." Id. at 656. The government's need for efficiency should not overshadow the individual's need for consideration of his or her particular circumstances. Id. at 657. In keeping with the concepts of due process guaranteed by the Constitution, PHAs should, at a minimum provide tenants with a full opportunity to rebut the charges against them prior to eviction.

The second difficulty with the HUD anti-drug initiative is especially troubling -- the unresolved, and seemingly catastrophic problem, caused by the eviction of innocent family members, especially children and the elderly. Public housing residents, by definition, are among the poorest and most vulnerable in our society. The economic characteristics of most public housing residents suggests that the next stop after eviction for many of these persons will be a homeless shelter, if they are lucky. Surely a concern for the tenant's constitutional right to a fair hearing is not unreasonable, particulary when the federal benefit which would be lost involves an interest as fundamental as housing.

As a general matter, it seems unlikely that anyone concerned about the legal rights of all public housing residents would ordinarily oppose efforts to eliminate drug-related violence from federally subsidized housing. Certainly no one who understands how difficult it is for tenants and public housing authorities to maintain a safe and decent living environment would oppose this goal. Members of the ACLU are as concerned as Secretary Kemp about the destructive social consequences of drug related violence.

However, we are also concerned about the constitutional rights of public housing tenants. And we are particularly sensitive to the concern that the "war on drugs" not be used as a cover for a broad assault on the administrative lease and grievance procedure. We note, for example, that HUD's first

waiver for Alexandria, Virginia occurred after the tragic death of a local police officer. However, the shooting occurred in a project that was not covered by lease and grievance procedures and, therefore, delays in tenant evictions in the related case could not possibly be attributable to these procedures.

Moreover, the effect of HUD's lease and grievance procedures in restricting the effort to evict drug dealers may have been greatly exaggerated. For example, in Alexandria, VA, of the 45 tenant households initially targeted for eviction in March, 41 had already been evicted or moved when HUD's waiver was approved.4/ Recently, the director of Washington, DC's public housing authority testified before the local city council that the city's eviction laws were the impediment to evictions, not the HUD grievance procedures.5/

Obviously, HUD's recent attention to the plague of drugs in public housing is welcome, but the attack on the public housing "lease and grievance" procedures as a solution to the drug problem is more show than substance. And if not implemented judiciously, the waiver of HUD's administrative hearing process could needlessly jeopardize the rights of innocent tenants.

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4. The Eviction Argument, ed., Wash. Post, Apr. 1, 1989, at A22.

5. Barras, Easy-Eviction Campaign Drug War's Newest Phase, Wash. Times, May 5, 1989, at B3, quoting Roland Turpin, acting director of the Department of Public and Assisted Housing:

> "Our efforts to evict public housing residents for non-compliance with their leases have been restricted more by our local landlord-tenant laws rather than federal procedures."

HUD's Lease and Grievance Procedures

It is a settled principle of constitutional law that public housing tenants are entitled to due process of law in matters affecting their federal benefits. In Thorpe v. Housing Authority of Durham, 393 U.S. 268 (1969), the Supreme Court held that local housing authorities operating federally assisted projects could not evict a tenant without first informing the tenant of the reasons for the eviction, and then giving the tenant an opportunity to respond. Although Thorpe did not require a hearing that would "comport[] with the requirements of due process," id. at 284, the hearing requirement followed shortly thereafter from Goldberg v. Kelly, 397 U.S. 254 (1970); Escalera v. New York Housing Authority, 425 F.2d 853 (2d Cir. 1970); and Caulder v. Durham Housing Authority, 433 F.2d 998 (4th Cir. 1970). The Supreme Court held in Goldberg that public assistance to poor persons could not be terminated without a "fair hearing". The Court concluded that failure to provide such a hearing would amount to a denial of procedural due process in violation of the 14th Amendment.

Since 1975, HUD regulations have directed public housing authorities to utilize leases that provide administrative grievance procedures for tenant complaints concerning adverse PHA action or failures to comply with lease requirements.6/ These regulations were based on policies originally developed in the Nixon and Ford Administrations, and were established to promote

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6. See generally, 24 C.F.R. § 966.

better cooperation and mutual obligations of responsibility between tenants and public housing authorities. In reaction to an attempt by HUD in 1982 to diminish these obligations, Congress added new statutory provisions instructing the Secretary to require PHAs receiving federal assistance to establish and implement administrative grievance procedures, and to utilize fair and reasonable leases.7/

According to the 1983 statute, the grievance procedures must insure that tenants be advised of "any proposed adverse PHA action", the meaning of which was determined in Samuels v. District of Columbia, 770 F.2d 184 (D.C. Cir. 1985):

> "...HUD's 1982 rulemaking specifically proposed to eliminate mandatory grievance procedures for tenant complaints ...concerning the day-to-day operation of public housing projects. Congress explicitly rejected that attempt to limit the grievance procedure requirement when it enacted § 1437d(k), and in doing so it clearly intended to mandate a regulatory framework that required an administrative forum for all tenant disputes."

At one level, however, the waiver procedure for HUD's administrative process is not the issue. HUD is authorized -- and it has been since 1983 -- to permit PHAs to waive their administrative proceedings and go directly to court if HUD certifies that the court process provides the basic elements of due process.

However, given the importance of the administrative hearing process, HUD is also required to provide the affected tenants with notice or an opportunity to comment on the PHA's waiver

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7. 42 U.S.C. §§ 1437d(k) and (l).

request. The requirement for notice and comment was ignored from the first waiver granted under HUD's new policy to the City of Alexandria, VA; nor has this requirement been met in any subsequent waivers. The opportunity for comment was, however, implicitly given to public housing authorities since their views were solicited as part of the preliminary fact gathering initiated by HUD on February 28, 1989.8/

Based on this action and other previous agency actions, it seems reasonable to infer, therefore, that HUD is determined to limit tenant involvement in agency decisionmaking on the issue of whether or when a waiver of the lease and grievance procedures would be appropriate. For example, last August HUD published final regulations revising the lease and grievance procedures in a manner which would have removed many of the tenant's procedural protections. In response to these regulations, Congress expressed its displeasure about this action in the report accompanying the Stewart B. McKinney Homeless Assistance Act of 1988 and required that HUD solicit additional comments on these proposals.9/ However, Congress did not prevent the regulations from going into effect; and HUD announced that they would become

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8. See, News Release "HUD, Alexandria, VA Officials Discuss Streamlining Rules for Evicting Convicted Drug Dealers From Public Housing," HUD No. 89-39, March 27, 1989.

9. See, H.R. Rep. No. 1089, 100th Cong., 2nd Sess. 102 (Oct. 13, 1988):

> "[the regulations] ... would weaken principles of fairness and due process that have been painstakingly developed over 20 years, as a result of legislative and judicial actions."

effective on November 7, 1988.[10]

Meanwhile, on October 28, 1988, the National Tenants Organization filed suit to enjoin HUD from promulgation of the final rules.[11] On January 25, 1989 HUD was preliminarily enjoined from issuing these regulations. It was in this context that the first waiver for drug related activity was granted.

Why Is The Administrative Hearing Important?

Why is the administrative hearing process so important to the protection of tenant's due process interests? This is so primarily for two reasons. The first is that landlord-tenant courts are generally structured to function quickly by dispensing with many of the procedural protections that have been built into other court processes. The second reason is that most poor tenants are unrepresented in landlord-tenant court, so that even in the few jurisdictions that provide procedural protection, many tenants are unable to avail themselves of these protections. The lack of legal representation for the tenant in landlord-tenant eviction proceedings almost guarantees a tenant loss.

A good example of this problem is provided by the New York State courts' process for allowing tenants to see the landlord's file. If the tenant makes a motion, showing good cause, the

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10. 53 Fed. Reg. 40,221 (Oct. 14, 1988).

11. National Tenants Organization v. Pierce, Civ. No. 88-3134 (D.D.C. complaint filed Oct. 28, 1988).

court may permit this discovery.[12/] But an unrepresented tenant usually will be unfamiliar with this motion or lack the advocacy skills to prevail. This is why the administrative hearing process is so important.

Recent Congressional Action

Congress recently enacted new provisions governing HUD's policy for granting waivers of lease and grievance procedures. The new provision is contained in as Section 404 of the Dire Emergency Supplemental Appropriations Act (H.R. 2072). Section 404 does three things:

> (1) It addresses the problem of drug-related evictions in federally subsidized housing by authorizing HUD to remove such cases from the lease and grievance procedure when the local housing court provides due process;
>
> (2) It requires HUD to provide tenants with notice and an opportunity to comment before eviction cases can be excluded from a public housing grievance procedure; and
>
> (3) It protects innocent family members who reside in the household by providing that eviction of the person(s) responsible for drug-related criminal activity shall not affect the rights of other innocent household members.

As we understand it, HUD has strenuously objected to Section 404's protection of innocent family members and to the requirement that the agency afford tenants effected by the

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12. Clearly, incomplete access to the landlord's file prior to an eviction proceeding interferes with a fundamental aspect of due process -- the right to an opportunity to rebut evidence presented in support of eviction. The opportunity for rebuttal of adverse evidence is meaningless if it is not accompanied by a reasonable opportunity to review that evidence in its entirety. Escalera v. New York City Housing Authority, 425 F.2d 853 (2d Cir. 1970); Goldberg v. Kelly, supra; Willner v. Comm. on Character & Fitness, 373 U.S. 96 (1963).

proposed waiver with "notice and comment" opportunity before it removes evictions from the administrative lease and grievance procedure.[13/] The ACLU strongly supports the purposes of Section 404 and urges Congress to carefully review the merits of the case before repealing or amending this provision.

Innocent Family Members

First among our concerns is the plight of the innocent family member who might be evicted as a part of HUD's anti-drug crackdown. A recent article appearing in the Wall Street Journal described some of the difficulties encountered by innocent family members who face eviction.[14/] In one case in Omaha, Nebraska, a local housing authority sought to evict a 65 year-old grandmother whose grandson was arrested on drug charges. Because she was unable to control the behavior of her grandson, she had excluded the child from the apartment. Notwithstanding her action, however, the Omaha housing authority sought to evict her and four other grandchildren. Fortunately, an Omaha court decided that the remaining members of the family should not lose their home because of the misdeed of one teenager who was already excluded from the project.

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13. See, e.g., Rasky, Kemp Asks Repeal of Drug-Related Law, NY Times, July 11, 1989.

14. See, Davidson, Public Housing Aides Push to Evict Drug Users, Sometimes Violating the Rights of Other Tenants, Wall St. J., Jul. 6, 1989, at A12. See also, Torry, Civil Liberties Caught In Antidrug Cross Fire: Aggressive Law Enforcement Gains Support, Wash. Post, Mar. 20, 1989, at D1; Cohen, When Right Goes Wrong: Aggressive War on Drugs Hits Home for the Guilty and Innocent Alike, L.A. Times, Jun. 11, 1989, at 2 and 38.

Unfortunately, the Omaha case is not an isolated one. In Delaware, the ACLU was asked to represent a long-term, model tenant of a public housing project who was faced with eviction proceedings due to her son's admission of a drug-related criminal offense. Testimony during the eviction proceedings revealed the woman's exemplary efforts to prevent her son from getting into trouble, proved that she was unaware of his involvement in illegal activity, and demonstrated her lengthy, trouble-free tenancy. Even the fact that her son was confined to a juvenile facility did not prevent the housing authority from proceeding with an eviction action. She was, eventually, successful in her effort to remain in her apartment.15/

Others have, however, been less fortunate, and have not been aware that their ignorance of the illegal activity or lack of control over the criminally involved family member was a valid defense to an eviction action. For example, in another Delaware case, a twenty-three year tenant of a public housing development was evicted on the basis of her son's arrest for cocaine use which occurred near a public housing development. The woman reportedly did not contest the eviction proceeding because she "didn't know the law that well."16/

Examples of governmental indulgence in overzealous efforts to eradicate drug-related criminal activity have, regrettably,

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15. See, generally, Wilmington Housing Authority v. Goodman, Del. J.P., C.A. No. JP13 89 CO883, May 11, 1989.

16. Davidson, supra, Wall St. J., Jul. 6, 1989 at A12.

been far too frequent in recent months. In Iowa, the Civil Liberties Union is assisting a woman who lost her home, through a state-initiated civil forfeiture proceeding, after reporting her discovery of her husband's drugs to the police.17/ In a particularly egregious Connecticut case, a blind preacher faced eviction from government subsidized housing when his wife and son were arrested for sale and possession of drugs.18/ The Connecticut Civil Liberties Union appeared as amicus curiae in support of a tenant faced with eviction proceedings after her son was arrested after selling cocaine to an undercover agent from his mother's apartment, in her absence and without her knowledge.19/

In New York City, federal prosecutors' seizures of buildings suspected as drug trade locations have caused many "occupants of these buildings -- guilty only of having criminals for neighbors" to obtain shelter in welfare hotels, to double up with family or friends and, in some instances it is feared, to join the homeless population living in the city's streets.20/

In short, it is clear that federal anti-drug efforts --

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17. See, Ortiz, Bystanders' Homes Seized Under Law, Des Moines Register, Jan. 29, 1989 at 1B and 3B.

18. Family Evictions Over Drugs Challenged, Governing 14-15 (March 1989).

19. Hartford Housing Authority v. Ruby Montford, et al., No. 8803-43435, slip op. (Sup. Ct. Housing Sess. Feb. 27, 1989).

20. Moshringer, Unit Seizures in Drug Raids Imperil Many -- Innocent Occupants Are Often Left Homeless, N.Y. Times, Jan. 6, 1988 at 29.

including those instituted by HUD -- have raised serious civil liberties issues when, in their effort to reach those guilty of drug-related crime, they have inflicted serious injuries upon innocent third parties. While many of these individual stories involve obvious injustices, they all also demonstrate a serious constitutional infirmity with overreaching efforts to eradicate the drug trade and associated violent crime: the innocent are too frequently victimized by efforts directed towards the guilty. In the absence of procedural safeguards, such abuses are far too common.

It is a cornerstone in our system of jurisprudence that guilt is personal. Punishment based purely on one's status or a relationship is not sufficient in and of itself to establish personal guilt. Scales v. United States, 367 U.S. 203, 225 (1961). The Supreme Court has repeatedly held that the state cannot take punitive action against an individual unless there is a "relationship to individual responsibility or wrongdoing." Id. In Webster v. Aetna Casualty and Surety Co., 406 U.S. 164, 175 (1972), the Supreme Court invalidated a Louisiana statute that prevented children from receiving life insurance benefits because of their illegitimate status. The court held that the children could not be punished on the basis of a status that they had no personal control over, and that was wholly attributable to their parents' activities.

In Wilson v. Taylor, 733 F.2d 1539 (11th Cir. 1988), the Court of Appeals held that firing a police officer for dating the

daughter of a reputed member of organized crime and a convicted felon violated the officer's constitutionally protected right to free association. "Freedom of association does not rely on the content of that association and it forms a basic part of the fourteenth amendment's due process guarantee of liberty. Any state action curtailing the freedom of association is subject to the closest scrutiny." Wilson, 733 F.2d at 1539, also see, NAACP v. Alabama, 357 U.S. at 460-61.

Although HUD seeks to punish tenants for the activities of others through its revised regulations governing eviction, courts have demanded a stricter standard for eviction than mere association, and have recognized that any lesser standard endangers valued constitutional rights. For example, in Tyson v. New York City Housing Authority, 369 F. Supp. 613 (S.D.N.Y. 1974), a class of tenants, all parents of adult children who had been convicted of various drug-related crimes, were threatened with eviction as a result of their children's activities. The court held that the notion of personal guilt is not limited to criminal actions. Tyson, 369 F. Supp. fat 519. The court also held that there must be some causal nexus between the tenants' conduct and the effort to evict the tenants -- a familial relationship to persons engaging in undesirable conduct was deemed an insufficient basis to justify eviction of the tenant class. 369 F. Supp 513, 519.

PHAs should be restrained from imposing the sanction of eviction unless they can prove that a tenant had knowledge and

actual control over the actions of a household member or third party. In Hodess v. Bonefont, 401 Mass. 693, 519 N.E.2d 258 (1988), the Massachusetts Supreme Court held that a tenant could not be evicted on the basis of her son's conduct unless the conduct was foreseeable. A New York court invalidated the attempted eviction of public housing tenants on the ground that their son, who did not live with them, was a convicted drug addict and visited them regularly. Sanders v. Cruise, 173 N.Y.S.2d 871 (Misc. 1958). More recently, in Jones v. Christian, 501 N.Y.S.2d 854 (A.D. 1 Dept. 1986), the court held that a mother and her other children could not be evicted on the basis of the acts of her 21 year old emancipated son. The court noted that "it would be shocking to one's sense of fairness to terminate the tenancy of persons who have not committed non-desirable acts and have not controlled those who have committed such acts." Id. at 586.

It is clear from the various cases cited that control requires knowledge and the ability to act to prevent criminal acts. Mere association with, or relationship to a wrongdoer is not enough to establish culpability. To place this burden on tenants would create an irrebuttable presumption against the tenant in an eviction proceeding. Such procedure by presumption has "long been disfavored under the due process clause of the Fifth and Fourteenth Amendments." Vlandis v. Kline, 412 U.S. 441, 37 L.Ed.2d 63 (1973).

In enacting Section 404's protection for innocent family

members, Congress did no more than codify the law of many jurisdictions and the longstanding practice of many housing authorities. In that sense, Congress struck a reasonable balance between the safety of all tenants and the interests of innocent family members. For example, in New York City exclusion of an offending family member is a remedy agreed to by the New York City Housing Authority and has been in use for the last 15 years.21/

Notice and Comment for Tenants

It is a well settled principle of administrative law that persons affected by an agency's decision-making should be provided notice of the proposed action and an opportunity to comment.

Ironically, even HUD seems to appreciate, as a matter of sound public policy, the utility and importance of tenant comment on proposed changes to the lease and grievance procedures, although they have chosen to ignore this requirement in the present context. Indeed, in its "Introductory Comments" to the regulations which were preliminarily enjoined in NTO v. (Pierce) Kemp, HUD stated:

> ...The Department believes that tenant comment on law in the PHA jurisdiction will be very helpful to HUD in making due process determinations. Comments can give HUD valuable information on legal requirements for eviction in a State or a PHA jurisdiction. By requiring that public housing residents have an opportunity to comment on the PHA request for a due process determination, HUD has a better chance of getting full and balanced information on legal requirements

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21. See, Tyson v. New York City Housing Authority, 369 F. Supp. 513 (S.D.N.Y. 1974).

for eviction under State law. Obviously, public housing tenants have a powerful and legitimate interest in whether a PHA can evict the tenant in State court without giving the opportunity for a PHA grievance hearing (emphasis added).22/

Notice and comment procedures in this context provide essential elements of due process. Section 404 of the recent supplemental appropriations bill simply codifies this requirement, which even HUD acknowledges is necessary to protect tenant's rights.

The ACLU would welcome the opportunity to work with tenants, public housing authorities, HUD officials and congressional staff in examining and clarifying the requirements of Section 404. This discussion should begin expeditiously and should precede further congressional action.

Conclusion and Recommendations

We believe the most useful thing Secretary Kemp could do about the drug problem in public housing would be to suspend the waiver program and to use his influence with President Bush and Congress to restore HUD funds for modernization of public housing units, and for programs to maintain security in public housing projects. The resumption of HUD's waiver program of the lease and grievance procedure should be conducted under the standard rulemaking process

There is overwhelming evidence that additional funding is needed. The Council of Large Public Housing Authorities, which represents 50 of the nation's largest public housing authorities,

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22. 53 Fed. Reg. 33,209.

has suggested that HUD-financed operating subsidies for public housing are $90 million short of what is needed this year. In Philadelphia, PA, for example, public housing officials have told HUD that they need $4 million to pay for hiring housing authority police alone. Long-term modernization costs for public housing projects nationwide have been estimated to be between $10 - $20 billion dollars.

These funds would include money to restore to use some of the more than 70,000 vacant public housing units throughout the nation. These vacant units are an outrage, when a million poor families are on public housing waiting lists, and thousands of families live in shelters, welfare motels, abandoned buildings, campgrounds and cars. The vacant units also contribute substantially to the drug problem; they are an invitation to outsiders to come in to use these apartments as a haven for using or selling drugs.

In addition, HUD could more actively support a short-term solution in a FY 1990 appropriation for Drug Abuse Demonstration Projects of National Significance which authorizes a drug treatment demonstration program through the Department of Health and Human services and is targeted, among others, to residents of public housing.[23/] Moreover, funding under the Public Housing Drug Elimination Pilot Program[24/] would provide PHAs with money to reimburse local police for service or to hire their own security,

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23. See, §2055 of the Anti Drug Abuse Act of 1988.

24. See, § 5121 of the Anti Drug Abuse Act of 1988.

add lights, perimeter fencing and other security measures.

Finding the money to address the problem of drug-related violence in public housing is one of the more serious challenges facing our nation. Without adequate drug prevention and treatment programs coupled with supportive services for families in public housing, PHAs and tenants will not be able to succeed in reducing the level of drug-related.

What is not useful -- and is indeed harmful -- is for HUD officials to suggest that concern for a public housing tenant's constitutional right to a fair hearing is somehow illegitimate; or for that matter, to demagogue the ACLU![25/]

The problem of drug-related crime is a complex one. It is not going to be addressed by easy answers, and it should not be resolved by resort to abandonment of important constitutional protections and safeguards, including the right to privacy, the right to due process and the right to equal protection of the law. The federal government has at its disposal great resources to address this difficult problem. It must resist the temptation to resort to high-profile, but largely ineffective methods of addressing the problem which, in the process, result in substantial deprivations of cherished constitutional rights.

Responding to a 1986 call from President Reagan for random drug testing of federal workers, a Cabinet member who chose to remain anonymous told the New York Times: "I hate drug use.

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25. See, Kemp, Drug-Free Housing for the Nation's Poor, Wash. Post, Apr. 17, 1989, at A19.

It's an abomination. It ought to be wiped out. The question is what price are you willing to pay to wipe it out." It is important to combat drug use, he said, "[b]ut there's a transcendent moral requirement that we retain a sense of ourselves as individuals, human beings, souls, people with dignity."26/

Residents of public housing are individual human beings with a right to be treated with respect for their dignity. The lease and grievance procedure is an important effort to ensure fair treatment for these citizens. Justice Scalia recently warned that our nation has "gone a little off the deep end" to meet the drug crisis.27/

We call upon HUD to halt the issuance of further waivers to states or localities of the lease and grievance procedures without first providing notice and comment to affected tenants. While we recognize the importance of ensuring a safe environment for all tenants, we believe that waivers of the lease and grievance procedures will not produce this result.

Thank you for your consideration of these views.

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26. Pear, Reagan Aides Split on Drug Tests, N.Y. Times, Nov. 25, 1986.

27. Scalia Questions Random Drug Testing, Wash. Post, Apr. 9, 1989.

"DRUGS IN FEDERALLY ASSISTED HOUSING"

Inspector
Edward J. McLaughlin

United States Senate - Committee on Banking, Housing, and Urban Affairs, Washington, D.C.

Senate Subcommittee on Housing and Urban Affairs

July 20, 1989

POLICING FEDERALLY SUBSIDIZED HOUSING

Community-oriented policing has imposed the realization that crime and disorder problems are intimately interwoven at the neighborhood level of social organization. Neighborhood residents must be encouraged to participate in their own self-protection by providing police with information about law violations and in community use and surveillance within public access areas. Community-oriented policing strategies also illustrate that the social and physical environment within any neighborhood or community either contributes to or dissuades deviant, delinquent, and criminal behavior. The forces of "community" must be addressed if long-term solutions to social disorganization (such as drug use) and crime (such as drug sales) are to be found.

Problem-oriented policing recommends a proactive role for the police wherein they seek to address the underlying conditions that give rise to crime and disorder, rather than simply reacting to these situations once they are brought to police attention. Problem-solving involves being analytic about the nature, scope, and depth of persistent problems such as drug use and sales, and the development of appropriate strategies for affecting those conditions which cause such behavior.

In public housing environments, municipal police have had little impact on either protecting law abiding community residents or solving problems. Historically, municipal police shied away from public housing projects. Consequently, most problems within these "closed" communities (public housing projects) are addressed by a small staff of housing authority police, or residents, or they are not addressed at all. Typically, housing authority budgets provide scant resources for internal policing functions and, as a result, security and safety in these areas has been problematic, to say the least.

As security in these areas eroded, the "signs of crime" -- deteriorated buildings, graffiti, unkempt areas -- increased. While all of this was occurring, services to residents in these housing complexes were also declining. This was due, in part, to the reluctance of service providers to enter these facilities because they feared for their own personal safety.

Lack of services to support and maintain those in the law abiding community resulted in crime and resident victimization. This cycle of decline made residents fearful of attack in housing projects and forced them to abandon public areas as places to enjoy.

Narcotics sales and use in and around public housing projects has increased dramatically. Part of this increase can be traced to the decline in the "community ethic" within these projects; a general inability to make these facilities safe and secure; and difficulty in establishing a social service "safety net" within these facilities.

Together, community-oriented and problem-solving approaches call attention to a new and revitalized police role in the community. This function is one of community advocate, ombudsman, or broker of municipal services that may affect the opportunity for, and inclination toward, committing criminal acts. Brokerage roles are difficult to enact, however, because they oftentimes pit the police against other city agencies, while at the same time they create a false responsibility for the police to provide a wide array of municipal services over which they have little control.

The approach being used in Philadelphia calls for the police to establish a secure and safe environment within which a community ethic can be encouraged and developed. Our narcotics enforcement program has three essential features: 1) community stabilization, 2) community activation, and 3) the creation of an environment within which other city, state, and federal services can be provided to public housing residents.

The strategy of locating HUD/Philadelphia Housing Authority funded police substations on the grounds of public housing projects is proving of great success in stabilizing several Philadelphia neighborhoods. Officers assigned to these substations are trained to interact with and organize tenant councils and community groups, thereby bringing them together, to identify and prioritize their concerns about crime and incivilities. A partnership is formed between police and community members and together they address these concerns. It is our belief that the community must be a part of the solution to any problem. If the solution is attached to the tail lights of the police car turning the corner -- there is no true solution. Public housing projects must be joined with the surrounding communities and informal social control must again become a part of neighborhood life. Residents must assume responsibility for their own quality of life and view the police and other governmental and social services as their resources, not the sole solution to community problems.

Police officers, supervisors, and commanders realize that when an area looks like no one cares about it, a person bent on committing an illegal or socially unacceptable act is likely to assume no one is watching and feel free to commit the act. Police who understand this can consider the removal of trash and abandoned autos, fixing broken windows and lights, and addressing other factors adversely affecting street-life conditions, as serious crime prevention work.

Police substations located within public housing projects are becoming the focal point of community stabilization. For example, officers assigned to the substation at Southwark Plaza (884 units, 3 twenty-five-story towers surrounded by street-level units -- 1,929 legal residents) organized a Narcotics Anonymous Counseling Night within the project, with professional counselors providing the service. Because of the officers' established credibility with project residents, they were able to spread the word about the service. The "Night" became so popular that a second "Night" has recently been added. Officers are in the process of starting a Boy Scout Explorers Post and have used their influence in the community to get jobs for project residents. These residents are joining with members of the community-at-large and organizing themselves to address problems. They are taking the neighborhood back from the drug dealers, block by block, with local and federal governments as their helpers.

It is our belief that this basic restructuring of neighborhoods, including public housing, must be the first step in our response to the drug crisis. Law enforcement strategies, forfeiture, and education will not work if we don't first stabilize and organize our neighbors.

Submitted to the Senate Subcommittee on Housing & Urban Affairs
by Inspector Edward J. McLaughlin, Philadelphia Police Department

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TESTIMONY

OF

VINCENT LANE
CHAIRMAN, CHICAGO HOUSING AUTHORITY

BEFORE THE

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

OF THE

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS
UNITED STATES SENATE

JULY 20, 1989

HEARING ON DRUGS IN PUBLIC HOUSING

22 West Madison Street • Chicago, Illinois 60602 • Telephone (312) 791-8500

TESTIMONY OF VINCENT LANE
CHAIRMAN, CHICAGO HOUSING AUTHORITY
JULY 20, 1989

I. INTRODUCTION

Thank you, Chairman Cranston, for asking me to testify before you today on the issue of drugs in public housing. My name is Vincent Lane and I serve as both Chairman and Executive Director of the Chicago Housing Authority (CHA).

The CHA administers over 50,000 units of public and assisted-housing, which makes us the third largest housing authority in the nation -- behind New York and Puerto Rico.

I should begin by making it clear that drugs and the criminal activity that they breed are not problems unique to public housing. Drugs have invaded communities throughout this nation -- white and black and brown, rich, poor and middle class. That said, however, I know of few places that compare with the drug problem that we have at the CHA. It directly effects the lives of each of our residents and directly effects the ability of the management to provide services to residents. The scope of the problem is immense. The violent crime rate in many of our developments is double or even triple the city wide rate.

I commend the Senate on recognizing the tremendous complexity of the problem and its unique manifestations in the nation's public housing. I also commend your effort to highlight some of the bold and innovative attempts by public housing authorities to address this issue.

In Chicago, over the last nine months, we have taken some initial steps to fight drugs and criminal activity in public housing in Chicago. We have worked to develop a fairly comprehensive Anti-Drug Initiative that combines law enforcement, housing management, resident empowerment, social service, educational, health and economic development programs that work to remedy the results of drug activities as well as the underlying causes.

This initiative is a system of programs that is designed to bring residents out of their present "survival mode" and make public housing in Chicago a safe and decent place to work and live. The implementation of the initiative has been successful in the reduction of crime at our developments. It is also serving to block the pipeline that feeds future drug and criminal activity -- by investing in our youth.

I would like to outline for you some of the trends and circumstances, contributing to the present state of public housing in Chicago.

II. DRUGS IN CHICAGO'S PUBLIC HOUSING

Between 1937 and 1952, 15,000 units of public housing were built in Chicago. Almost all of these units were garden-style or walk-up apartments. While there was little about them that was architecturally distinguished, they were solidly built and in great demand.

In the early years, public housing served predominately upwardly mobile working families who were in need of temporary assistance, much as the New York City Housing Authority does today. These were largely two-parent working families whose incomes left them just shy of homeownership. The families were thoroughly screened, disruptive families were fined and/or evicted.

From the mid-1950's to the late 1960's, approximately 18,000 units of public housing were built in Chicago. More than 90 percent of these units were contained in highrise buildings. It was during this period that public housing took its turn for the worse. But the high rises cannot be the scapegoat for all that is wrong with public housing in Chicago.

The growth of affordable housing opportunities in the suburbs lead to the departure of most white working families and fair housing efforts created new opportunities for black working families. Jobs left the inner city and left behind despair. The northern migration of poor, rural blacks to Chicago continued, only to find few of the promised opportunities. And aggravating these trends, was the decision made by

Chicago's politicians -- black and white -- to concentrate and isolate the new public housing communities.

Fatal design flaws made these highrises a management nightmare. The majority being built with exposed elevators, open-air galleries, and entranceways that provide free access to both welcome and unwelcome visitors.

In the early years, these design mistakes were negated by the composition of the resident population. As this population changed and standards for admission dropped, the communities began to crumble under the immense pressures of poverty and crime.

Today, the highrises are islands of desperate poverty. No longer do we serve the upwardly mobile. Those who do improve the economic condition of their family move out. The typical head of a household is now a single mother on welfare who has not finished high school and has experienced a lifetime of despair. Twenty-five years ago the median income of a family in public housing was about 40 percent of the nation's median; it is now about 15 percent. This is a very fragile base on which to build a strong community.

At the Chicago Housing Authority, this deteriorating situation has been compounded by years of mismanagement at the Authority. Rules were not enforced and standards for applicants slipped. An "anything goes" mentality set in for many residents and employees. The buildings, not well-maintained and not well secured, became havens for

criminal activity. When I arrived at the Authority last summer, I learned that in many of our family highrise buildings, the CHA management had literally ceded control to the gangs.

III. THE CHA'S ANTI-DRUG INITIATIVE

The drug problem in public housing is very real and very frightening. In 1988, nearly 7,000 serious crimes were reported on CHA property -- 19 every day. And in Chicago's public housing, our drug activity unlike other cities, is tightly controlled by highly organized gangs -- gangs that have formed local, national and international alliances. They are compared to -- and in many cases are allied with -- Chicago's infamous Mafia.

The sheer volume of crime, the physical configuration of the buildings, and the fear of retaliation make it almost impossible to provide normal police protection. Residents are literally trapped in their homes, held hostage by the drug dealers who traffic their trade in the hallways and on the grounds of the developments.

Virtually all of the family highrises, and most of the low rises, function as open-air drug markets. At almost any time in the day, anybody can drive up to these buildings and purchase drugs -- cocaine, PCP, whatever. Because of the tight control that gangs have on the drug traffic in Chicago, we have been spared the influx of crack and the random violence that has scarred such cities as New York and Washington, D.C.

While sales are made in full and open view of the public, the police, the residents and the management are nearly helpless to stop it. By using look-outs at the ground level and up in the buildings, dealers have advance notice of any police presence. Dealers also use the highrises as the outlaws of the Old West used the Badlands; they can go into them and easily get -- and stay -- lost. Many force themselves on some of the vulnerable young mothers in the developments and move in to either hide or create a base for their operation.

When the police are able to break up a drug market, the gangs will reopen it in a matter of hours and any members who were arrested will be back in a couple of days. Because of the tremendous lure of economic opportunity -- one of the few readily available to public housing residents -- the supply of potential drug dealers and spotters and runners is unlimited. There is also an unlimited supply of drugs.

Of course, in order for the gangs to operate these drug markets, they must first have free access to the buildings, which is permitted by the design. Anyone can walk into these buildings at any time and can reach any apartment door. There are no security gates or lobbies. The gangs also must be free to operate without interference from residents. This is done using bribery and intimidation.

Because of the present situation, three simultaneous actions had to occur. We had to secure our buildings, improve their physical condition and restore pride and confidence among residents and staff. If we only secured the buildings and did not improve the physical and social conditions that contribute to the problem, we would not achieve

long-term success. In order to address each of these areas, our Anti-Drug Initiative was born.

Our Emergency Housing Inspection Program, popularly known as Operation Clean Sweep, is one important part of the initiative. And contrary to public perception, this is not a police action, but a management action. It is an effort to regain control of our properties and restore and maintain them as safe places to live and work.

Given the fact that 80 percent of our crime is committed by unauthorized or nonresidents, we knew that we would have the greatest impact on crime if we controlled access to the buildings.

Under the program, the Chicago Police Department first dispatches 50-60 police officers to secure the perimeter and interior areas of the building. Next, CHA teams enter the building to inspect each apartment and all common areas, to identify deferred work items and ensure that only legitimate leaseholders remain in the building. If controlled substances or other weapons are observed in plain view, the police are called in to make the arrests. The building is then "secured" by the enclosure of the first floor and the creation of a central point of access.

Following the inspection, CHA repair crews remain at the development for a period of several weeks to make necessary repairs and to make vacant units ready for re-leasing. In addition, a new visitation policy is instituted, restricting access to residents and accompanied guests. All residents over the age of seven are issued identification cards, which must be presented at the

security station to gain entry to the building.

Attached is a copy of our Emergency Housing Inspections form and a recap report from a recently swept building, 1230 N. Burling in Cabrini-Green. From this report you can see the valuable management data generated by each inspection, including the number of units where appliances are not working, where extermination is needed and where unauthorized residents are living.

We have now completed nine emergency inspections in ten buildings and through it all we have learned a great deal and continued to build upon our experiences. I have attached a summary of our sweep procedures, and, therefore, will not go into detail here. I have also attached a copy of the consent decree agreed to by the CHA and the Chicago Chapter of the American Civil Liberties Union.

Operation Clean Sweep and other law enforcement efforts including lease confiscations and resident fines, are just small pieces of the puzzle. The secure environment that those programs provide, enable us to expand improvements in management, social service and resident programs that comprise the balance of the initiative.

Youth programs such as Mama Said, a intergenerational parenting project and Project Peace, an effort to give teenagers non-violent, productive means to resolve conflicts, are making a real difference in the day-to-day lives of residents.

Management programs, such as vacancy consolidation and the initiation

of resident/management screening committees, is also having an impact.

The myriad of programs that make up the Anti-Drug Initiative will be focused in one development, the West Side's Rockwell Gardens, one of our most problem-plagued properties. It will be a model -- not a model program on paper or molded in clay -- it will be a model that people can see and feel and touch. It is my intention that it will serve as a blueprint for the CHA's future. It is also my hope that this time next year, I can invite you out to Chicago to visit the new Rockwell Gardens.

IV. COMMUNITY OUTREACH

The involvement of the broader community is central to the effort to combat gang and drug activity in public housing. This does not simply mean improved coordination between government agencies. This spirit of cooperation is important to extend to the private sector as we move to tackle the roots of the drug problem. Increasing private investment in physical and human capital of Chicago's public housing has become a priority for the CHA.

In order to facilitate this investment, the CHA is establishing its own non-profit corportation, CHA - Windows of Opportunity, to secure funds to support programs that will improve the quality of life for our residents -- programs that are currently beyond the constraints of our operating budget.

We hope that this effort will help serve to break down the invisible

-- but very real walls -- that continue to isolate public housing developments and their residents.

V. PROGRAM COSTS

The Chicago Housing Authority's Anti-Drug Initiative, while essential, is very expensive. In Operation Clean Sweep, for instance, the costs are only $1500 per unit to secure the building, enclose the first floor, make improvements to the common areas and occupied apartments, and make vacant units ready to re-lease. The big cost to the authority is the on-going security. It costs us $350,000 to $500,000 per year to maintain a presence of contract security guards in the building and initiate follow-up social service programs.

We have moved to decrease this cost over time by encouraging the establishment of resident safety patrols in swept buildings. Residents serve as lobby guards and conduct routine patrols of the hallways and stairwells. This not only allows us to decrease the number of contract security guards on site, it also allows for increased resident involvement in maintaining the security of their building.

We have received a Community Development Block Grant to assist in carrying out Operation Clean Sweep, but have funded it primarily out of our operating budget. This cannot continue over the long-term. We need additional federal funds to carry out this and other programs to tackle the gang and drug problem in our developments. And to fund a prototype training program for our resident safety patrols.

We also need to leverage the federal dollars we receive and increase our support from the State of Illinois, the City of Chicago and the private sector.

As I mentioned earlier, we are targeting our initiative in one development, Rockwell Gardens. We are not doing this to the exclusion of making improvements at other developments, but we are being realistic. We cannot do everything everywhere at once. It is our estimate that the implementation of our Anti-Drug Initiative in one 1,126 unit development will cost us between $8-10 million in the first year, with the costs reducing significantly over time.

The bulk of this price tag is for permanent staffing and major systems and facilities improvements. With out these costs, the stablization of the development will be significantly smaller, about $3.2 million. This is an average of $2823 per unit. The cost to maintain security and services on an ongoing basis is much smaller: $1.35 million per year or $1200 per unit.

These figures include making the requisite physical, management, security and resident services improvements needed to restore basic security and services.

I am not talking about major rehabilitation work, just enough to make the buildings safe, decent and sanitary. We are trying to do the best we can with the scarce resources available.

VI. CONSLUSION

As you can see, given the cost of the CHA implementing an Anti-Drug Initiative in one development, the $8 million currently appropriated to combat this problem across the nation is woefully inadequate.

We hope to work with you to increase the funds available to reclaim our communities and to demonstrate that we can use the available money to cost effectively rebuild the stable, healthy communities that once flourished in public housing.

ATTACHMENTS

1. SUMMARY PROCEDURES FOR EMERGENCY HOUSING INSPECTIONS PROGRAM

2. EMERGENCY HOUSING INSPECTION FORM

3. RECAP REPORT OF SWEPT BUILDING

CHICAGO HOUSING AUTHORITY

EMERGENCY HOUSING INSPECTIONS PROGRAM

("OPERATION CLEAN SWEEP")

APRIL 10, 1982

This memorandum summarizes the steps taken by the Chicago Housing Authority (CHA) in connection with its Emergency Housing Inspections Program, popularly known as "Operation Clean Sweep". Emergency Housing Inspections, or "sweeps", have been instituted in five high-rise apartment buildings, containing a total of 900 units.

A. Background

The CHA is the second largest housing authority in the nation, with 50,000 units under management. These units are contained in some 1,500 buildings, predominantly in the south side of the City. Approximately 150,000 people live in CHA public housing, or about 5 percent of the City's population. Seventy-five percent of the units are rented by non-elderly households. The median household income is $5,000, or about 15 percent of the median for the nation.

Over the past twenty years, conditions within CHA developments have steadily deteriorated. The properties are overrun with a host of social problems, including crime, welfare dependency, illiteracy, and substance abuse. These problems are compounded by long-term physical neglect. Approximately 80 percent of the family units are rented by single-mothers on public assistance. CHA developments are believed to have the largest concentration of poverty in the nation.

Within just the past few years, crime and drug use has reached emergency levels. Overall, the incidence of violent crimes at CHA developments is twice the city average. At certain developments, crime is four times the city average.

Violent Crimes Per 1,000 Residents

Rockwell Gardens	83.9
Stateway Gardens	89.9
Cabrini-Green	40.9
Remainder of Chicago	22.4
National Average	6.2

Source: Newsweek.

Because a great many crimes go unreported, the above

statistics understate the actual number of crimes committed. Many residents no longer report crimes because of the perceived ineffectiveness of police action.

Gangs represent the most serious crime problem at the CHA. The gangs now control access to the high-rise family developments, intimidating both residents and employees. Often, residents must pay to enter the buildings or to ride in the elevators. On many occasions, gangs have opened fire on buses, pedestrians, and on opposing gang members.

Because of the dominant nature of the gangs and their willful use of violence to protect their turf, the authority cannot meet its mission of providing decent, safe, and sanitary housing. The vacancy rate at the high-rise family developments now exceeds 25 percent, as many residents have moved out of the buildings. At the same time, maintenance crews often cannot enter the buildings to make repairs. Even when repairs are made, particularly to common areas, the gangs are quick to vandalize.

B. Assessment of the Problem

From discussions with CHA staff and members of the Chicago Police Department (CPD), it was determined that the only way to significantly reduce crime at the high-rise family developments would be to "clean" the buildings of the drug dealing gangs, once

cleaned, to keep them from returning. Few of the drug dealers or gang members are listed on the lease, but reside either illegally with residents or in vacant apartments.

Because the gangs have highly sophisticated forms of surveillance, it was determined that "incident-oriented" police procedures were no longer effective. Rather, it was determined that the buildings would have to be inspected "en-masse" and also that entrance into the buildings, which were designed without enclosed lobbies, would eventually have to be secured and monitored.

C. Sweep Procedures

The basic components of the Emergency Housing Inspections Program are described below:

1. SELECTION OF SITE.

- Chairman makes selection of site the night before the sweep. Decision is made on the grounds that there is an immediate threat to the safety and welfare of residents and employees. Chairman notifies department heads and Chief of Police. No other staff are informed.

2. OFF-SITE STAGING AREAS.

- Resident services, management, and security meet the morning of the sweep at staging area to review procedures prior to leaving for the sweep building.
- Police also preview sweep procedures at their own staging area.

3. POLICE SECURE PERIMETER OF BUILDING.

- Approximately 60 police officers arrive on site. One police officer is positioned at each egress on each floor. Additional police surround the exterior grounds. No one is allowed to leave the premises without identifying themselves.

4. POLICE NOTIFY STAGING AREA THAT BUILDING IS SECURE.

- After police secure the building, the police call CHA staging area to notify sweep team to leave staging area.

5. NOTIFICATION OF PRESS AND LOCAL OFFICIALS.

- Once the police call the staging area and indicate that the building is secured, CHA staff notify press and local officials that operation is underway. A press package is made available and a person is left behind to handle calls and questions.

6. OPERATIONS CENTER OPENED.

- When sweep team arrives at the building, an Operations Center is opened on-site to issue resident photo-identification cards, to process work-orders, and to provide counseling and information to residents.

7. INSPECTION TEAMS INSPECT UNITS.

- Four to six inspection teams are sent into the building. Inspection teams inspect every unit and all storage, common, and utility rooms. Teams complete one floor at a time. Teams consist of a representative from resident services, maintenance, and a security guard. Police do not enter occupied units and are called in only if needed. If guns or drugs are found inside the apartment, the inspection team steps out of the unit and requests police to enter the unit. An emergency inspection form is completed for each unit. Staff examine all structural elements to determine if unsafe and unsanitary conditions exist. The team is instructed not to inspect the person or personal property of any individual. All occupants are checked against the lease.

8. COMPLETION OF INSPECTIONS.

- Following completion of inspections, the police leave the development. CHA then secures the building and provide 24-hour security protection.

9. LOBBY ENCLOSED.

- A repair crew seals off front and rear entrances with plywood. This temporary enclosure is then replaced, by the end of the day, with iron gates and panic bars.

10. GUEST POLICY INSTITUTED.

- Residents are asked to remain in their units until the entire building has been inspected. Following that period, which takes approximately 2-3 hours, residents are requested to report to the Operations Center for issuance of a photo-identification card, which now must be shown to enter the building. Persons not named on the lease are given the option of being placed on the lease, acknowledged as a tenant-guest, or permitted to leave the building if not authorized to be there. From this point onward, security guards restrict entrance to the building to residents and their guests. Guests must register at the security desk.

11. BUILDING REPAIRS.

- Over a period of several weeks, a repair crew remains at the development to complete work identified on the emergency inspection forms. Work generally includes: (1) rehabilitating lobby areas, (2) repairing garbage chutes, (3) repairing lighting fixtures (interior stairs, lobby and exterior), (4) painting stairwells and common corridors, and (5) removal of exterior building graffiti.

12. FOLLOW-UP SOCIAL SERVICES & RESIDENT EMPOWERMENT

- Activities include establishing floor captains, building councils, resident lobby guards, resident security guards, and a resident/management screening and eviction committee.

It should be further noted that certain changes in procedures were made between the first and last sweep. For example, pursuant to a lawsuit from the American Civil Liberties Union, the CHA no longer requires that guests leave the building by 12:00 a.m.

D. Special Problems and Procedures

I. Photograph Identification of Tenants

While inspecting the apartments, inspection teams request that all CHA tenants whose names appear on the lease to go to the Operations Center to have a photo identification taken. When a tenant who was not at home during the sweep returns to the building, they are instructed by the security guards at the front door to report to the operation center to receive a photo identification card.

II. Persons Not Named on a Lease

In the event that persons not named on the inspection lease are found in the building, they were requested to go to the Operations Center. Once in the center, any such individual is given the choice to: (a) be placed on the lease and receive a photo ID, (b) leave the building, or (c) request that they remain as a visitor.

III. Visitation Policies

During the day of the sweep, a formal Visitation Policy was posted on the walls and common areas of the

buildings. In short, the Visitation Policy requires visitors, upon entering th building, to identify themselves and sign in. Each visitor has to receive the expressed consent of a tenant in that building prior to entering.

IV. Sensitivity to Individual Needs

Implementation of the visitation policy and the requirement that tenants obtain a identification card calls for special efforts by the CHA to meet the needs of certain individuals.

For example, the sweeps were conducted on school days, to insure that young children are not present in the buildings at the time of the sweeps. This means that children will return to their homes after school to find that the building has been secured. Under the photograph identification procedures and visitation policy, children over the age of seven (7) are issued identification cards. Before they are issued the cards, however, they must show that they are on the lease. To handle this procedure, CHA sets aside a separate room inside the building where children can wait, play and study, while CHA staff locate their

parents or make arrangements to let them into their apartments.

Also, it is necessary to show special care to the infirmed and handicapped. Many individuals could not physically go to the Operations Center to have pictures taken of them, and therefore, the CHA had to make special arrangements for these people.

V. Post-Sweep Repairs

Repairmen and artisans remain at the developments over the next several weeks to complete repairs. The costs of the repairs vary from building to building based on the conditions of the units, the number of vacancies, and the configuration of the buildings.

VI. Vacancy Reduction

Following the initial inspections of each of the apartments, repairmen and artisans work extensively to refurbish vacant apartments. In instances where extensive vacancies exist, a vacancy consolidation program is instituted, whereby the top floors are sealed until renovations can be completed, one floor at a time.

20-989 O—89——5

VII. On-going Security

Following the sweep, a twenty-four hour security staff remains at the development. On-going cost security is estimated to cost around $300,000 per building, an amount that cannot be sustained under the performance funding system.

VIII. Follow-up Social Services

Resident services makes contact with the residents to provide counseling and support services.

Acct. No. _____
Date _____
CHICAGO HOUSING AUTHORITY 1st Follow Up _____
2nd Follow Up _____

EMERGENCY HOUSING INSPECTION

NAME _____ ADDRESS _____ APT. NO. ____

		OK	DESCRIBE REPAIRS NEEDED
KITCHEN	REFRIGERATOR - (CHA) (OWN)		
	GAS RANGE		
	CABINETS, SINK TOP		
	SINK - FAUCETS, DRAIN		
	WINDOWS - GLASS, HARDWARE		
	SHADES & BRACKETS		
	SCREEN & CLIPS		
	DOORS & HARDWARE		
	CURTAIN RODS & BRACKETS		
	FLOOR TILE		
	RADIATORS		
	WALLS & CEILINGS		
	LIGHT FIXTURES, GLOBES		
	OUTLETS, SWITCHES		
	UTILITY ROOM		
	OVERALL APPEARANCE - THIS AREA		
LIVING ROOM	WINDOWS - GLASS, HARDWARE		
	SHADES & BRACKETS		
	SCREENS & CLIPS		
	DOORS & HARDWARE		
	CURTAIN RODS & BRACKETS		
	RADIATORS		
	STORM DOOR		
	ENTRANCE DOOR		
	FLOOR TILE		
	WALLS & CEILINGS		
	LIGHT FIXTURES, GLOBES		
	OUTLETS, SWITCHES		
HALL	CRASH CHAINS		
	DOOR CHECK		
	CLOSETS - DOOR, POLE, SHELF		
	OVERALL APPEARANCE - THIS AREA		
BATHROOM	WINDOWS - GLASS, HARDWARE		
	FACE BOWL - FAUCETS, DRAIN		
	BATHTUB, SHOWER, FAUCETS, DRAINS		
	TOILET, SEAT, FLUSH VALVE		
	RADIATORS		
	FLOOR TILE		
	MEDICINE CABINET		
	TOWEL RACKS		
	TISSUE HOLDER		
	DOOR & HARDWARE		
	WALLS & CEILINGS		
	LIGHT FIXTURES, GLOBES		
	OVERALL APPEARANCE - THIS AREA		
BEDROOM	WINDOWS - GLASS & HARDWARE		
	SHADES & BRACKETS		
	SCREENS & CLIPS		
	DOORS & HARDWARE		
	RODS & BRACKETS		
	RADIATORS		
	FLOOR TILE		
	WALLS & CEILINGS		
	LIGHT FIXTURES, GLOBES		
	OUTLETS, SWITCHES		
	CLOSETS - POLES, SHELF		
	OVERALL APPEARANCE - THIS AREA		
	HOUSEKEEPING (Circle) O O F U		(Explain "F" & "U" Rating - Schedule Follow Up)

FIRE HAZARDS _____ WASH. MACH. _____ PET _____ YARD LITTERED _____
HEAT _____ DRYER _____ LAWNS _____ WINDOWS, CURTAINS _____

☐ CHECK HERE IF UNAUTHORIZED RESIDENTS ARE PRESENT. LIST ON REVERSE SIDE.

Inspected By _____ Witnessed By _____

Unauthorized residents present: _____

_____

_____

_____

_____

_____

Additional comments:

_____

_____

_____

Sweep's Captain

CHICAGO HOUSING AUTHORITY

INTER-OFFICE MEMO

TO: Carol L. Adams, Ph.D., Director
Resident Services & Programs

FROM: Sandra Harris

DATE: 5/5/89

COPIES TO: L. Russe
V. Asble
G. Smith
File

SUBJECT: STATUS REPORT - 1230 North Burling

Listed for your review is a recap report of Sweep findings conducted on May 4, 1989, at 1230 North Burling:

Occupied Units:	70
Vacants:	61
Deprogrammed:	3
Service Requests:	87
Unsatisfactory Housekeeping Standards:	10

Apts.	Leaseholder
109	Joy Buford
302	Essie Tribble
303	Cora McNeal
503	Cora Moore
601	Melcinear Johnson
607	Arlene Hall
706	Kathy Broughton
808	Janet McClatchey
108	David Hill, Sr.
305	Joan Milner

Refrigerator(s) Not Working - 1

710	Gloria Greer

Status Report - 1230 North Burling

Possible Unauthorized Occupants - 13

Apts.	Leaseholder	Unauthorized (Possible
103	James Thomas	Emma Thomas
303	Cora McNeal	Cecil Seay
304	Della Thomas	Stanley Thomas
402	Ruby Pitchford	Eddie Docks
502	DeVelle Thomas	Tawanna Thomas Jarvis Harris
602	Thelma Randolph	Shannon Randolph
701	Brenda Allen	Jonathan Allen James Clayborn George Clayborn
707	Hazel Lewis	Carmella Lewis
901	Sheree Woodland	Rex Orr
906	Joan Fisher	Leonard Hodges
1101	Yvette Broughton	Daniel Fisher
1107	Lunette Moore	Eddie Finley
1502	Autria McLatchey	Paul Edwards Patricia Mclatchey

Possible Squatters - 2

507) Furniture, coach beds in vacant units

508) Two apartments listed as vacant units

Status Report - 1230 North Burling

-3-

First Assessment
Not at Home/No Answer - 8

Apts.

1204

1402 - Double lock

805

806

803

903

305

1110 - Lock Change

Follow-up - Second Try did Enter with File Key - 6

Lock Change - 1

Double Lock - 1

Extermination needed - 5

Apts.	Leaseholder
109	Joy Buford
408	Eve McNeal
1010	Cynthia Willis
1204	Vickie Brown
305	Joan Milner

Status Report - 1230 North Burling

Smoke Detectors Not Working/Units Without - 37

Apts.	Apts.	Apts.
101	607	809
103	608	901
109	701	905
112	702	906
302	705	1001
303	707	1101
306	708	1205
307	709	1206
401	802	1301
402	804	1401
503	805	1502
601	807	1509
		502

Units no on Vacancy List - 2

Apts.

404 - Vacant
1105 - Vacant

Possible Vacant - 1

Apts.	
401	Annie Lowe, Leaseholder packing to move - cat in apartment. Reported to R. Polk 5/4/89.

Reported Gas Leaks - 2

Apts.	
101	Evelyn King
503	Cora Moore - Leaseholder (Reported to R. Polk 5/4/89)

STATEMENT BY THE HONORABLE JAMES P.MORAN, JR.

MAYOR, CITY OF ALEXANDRIA, VIRGINIA

FOR

THE U. S. SENATE BANKING, HOUSING AND URBAN AFFAIRS COMMITTEE

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

ROUNDTABLE HEARING ON DRUGS IN FEDERALLY ASSISTED HOUSING

THURSDAY, JULY 20, 1989, 1:00 P. M.

Alexandria, Virginia, a city of 109,000 persons which has twice been selected an All-America City, was thrust into the national limelight this past March with the fatal shooting of one of our finest police officers -- Corporal Charles Hill. Corporal Hill was shot by a man hired by New York crack dealers to seek money from a public housing family who was selling crack. Our memory of Corporal Hill's bravery and devotion to family and community lives with all of us.

Immediately after this terrible incident, I convened a series of meetings with public housing residents and leaders of the City, including Alexandria's black community, to discuss what actions the City should take to stop drugs in public housing. The response I received was very clear: rid public housing of drug dealers and users. Public housing residents in Alexandria are tired of seeing their neighbors' lives destroyed by crack. They are tired of being jostled by drug dealers on the sidewalks in front of their homes. They are tired of living in fear for their lives and the lives of their children.

The act to evict households for drug sales/use is not done in a vindictive sense -- it is done to save lives and families. We debated the question about whether the entire household should be evicted for the actions of one family member who is involved in drugs.

The response from public housing residents in Alexandria is yes, and the reasons are clear.

First, our primary priority is to protect the vast majority of public housing tenants who are law abiding residents, and who are not involved in illegal drug activities. Family responsibility must begin at home and such responsibility means abiding by the rules. If a family actively works to prevent drug activity in the home or seeks treatment, then they should be allowed to continue receiving assistance. The City is prepared to help these families. Alexandria spends more per capita on drug treatment than any jurisdiction in Virginia.

However, if families choose to do nothing and allow illegal activities to occur within the household, then the entire family must go. The sad truth is that often families are aware of the drug involvement of individual members, but choose to do nothing because the entire family can benefit financially from the drug sales of one family member.

Second, Alexandria's assisted housing funds are severely limited. Since 1940, Alexandria has aggressively pursued the development of assisted housing and it now has a larger

percentage of its rental stock subsidized than any jurisdiction in the metropolitan area. The severe decline in Federal housing funds (over 75% of the Federal housing budget has been cut since the early 1980s) and fiscal constraints on local revenues have all resulted in reduced resources for housing. Because hundreds of persons remain on public and subsidized housing waiting lists, households that do not live up to their responsibility should not be allowed to continue to receive assisted housing and keep other deserving households from obtaining needed assistance.

For these reasons, we strongly disagree with the recently approved amendment to the FY 1989 Supplemental Appropriations Act which would prohibit housing authorities from evicting entire families for drugs. We urge Congress to follow the lead of the House HUD Appropriations Subcommittee and overturn this amendment. We understand that Secretary Kemp has also written to request that this amendment be repealed.

Alexandria has a very aggressive program to combat drugs and supports and encourages the eviction of drug dealers/users not only from public and subsidized housing, but from private housing as well. Since March of this year, 30 households have been involved in evictions (either evicted or are in the process of being evicted). Our goal is to make the entire City of Alexandria a drug free zone. Below are examples of actions the City has taken to date.

A. Public Housing

1. Alexandria was the first City to persuade HUD to waive the long and cumbersome grievance process for drug-related evictions from public housing by assuring HUD that tenants would be afforded due process under the Virginia judicial system. As a result of Secretary Kemp's response to Alexandria, other cities are applying for such a waiver.

2. Our police department and housing authority work closely together to identify public housing units where there is solid evidence, from controlled buys and executed search warrants, of drug dealing.

3. New and stronger lighting and no trespassing signs have been installed in public housing areas to deter drug dealing.

4. Our Substance Abuse treatment program has established a counseling office located in public housing property.

5. We have included the public housing resident council in our drug prevention activities. Tenant participation is crucial to a successful program.

B. Subsidized Housing

1. Alexandria wrote Secretary Kemp requesting that Section 8 certificates and vouchers be taken away from Section 8 tenants convicted of drug-related activity. Secretary Kemp responded that PHAs are authorized to terminate assistance to a family which uses a unit for drug trafficking. He also stated that he will soon be promulgating regulations authorizing public housing agencies to terminate housing assistance payments to Section 8 program participants who are engaging in drug-related criminal activity.

2. The City is encouraging Section 8 landlords to do thorough background checks on all potential applicants to screen out those involved in drug-related activity.

C. Private Housing

1. Our City agencies work closely with the major private landlords to help them evict tenants for drug-related incidents. In addition, when police have evidence that drug selling is occurring in a unit owned by a private landlord, that landlord receives a letter from our Commonwealth's Attorney notifying the landlord of the evidence of drug activity. The letter also advises them that any future drug activity could result in a criminal prosecution (e.g. against the landlord, property manager and/or agent) under the nuisance statute.

2. The City works closely with the major landlord associations to encourage private landlords to do the following:

   a) give names and Social Security numbers of persons evicted for drug activity to a rent credit agency so that both public housing agencies and private landlords, when screening new applicants, can check to see that they are not admitting households that have already been evicted for drug activity.

   b) place clauses in their leases that would make drug activity a cause for eviction.

   c) conduct training sessions for resident managers on identifying drug activities and dealing with drug enforcement issues.

In addition to the above:

1. The Alexandria Police Department is targeting areas of the City that experience the highest concentration of street level drug sales. These areas cover public and subsidized as well as private housing. Officers are reassigned to patrolling streets where drugs are being openly bought and sold. Officers who worked behind desks for years were put back on the streets. A plain clothes tactical unit was organized to literally "jump out" and arrest drug dealers and buyers in the act.

Community education and liaison efforts with local citizen associations have been increased.

2. Our City Council established a very active "Anti-Drug Task Force" which urges City and private agencies and the schools to improve their prevention, treatment and enforcement programs. We on City Council have endorsed most of the recommendations of the Task Force and have increased funding for these programs.

3. Discretionary City services, such as housing counseling or furniture storage, are denied to City residents evicted for drug activity.

4. For those persons who want help, the City has extensive substance abuse treatment options and facilities, including social detoxification, long and short-term residential care, outpatient counseling and methadone maintenance. As indicated earlier, we spend more per capita on these services than other Virginia jurisdictions.

5. Unfortunately, we have discovered that many residents in our homeless shelters are involved with illicit drugs. Some public housing referrals from one of our homeless shelters were later evicted by our housing authority for drug related activity. Our homeless shelters have developed better drug screening and anti-drug policies. In addition, the City just opened a new

$4 million homeless shelter/substance abuse treatment facility to address, in a comprehensive way, substance abuse and mental health problems of the homeless. We are considering requiring that homeless persons be tested for drugs as part of the application process for public housing.

There are a number of things that Congress can do to help communities win this war against drugs by enacting legislation to:

1. Allow public housing authorities to obtain information about the criminal records of prospective Section 8 certificate and voucher tenants prior to the leasing of the unit.

2. Allow for the termination of Section 8 assistance for certificate and voucher holders who are engaging in drug-related criminal activity.

3. Strengthen the selection criteria for admittance to public and subsidized housing to give the housing authorities and landlords the ability to prevent/deny admittance to persons involved in drug activity. In particular, anyone recently convicted for drug activity should not be allowed admittance until they can prove they are drug free. Public housing should not become a "dumping" ground for former offenders who are not drug free.

4. Change the Federal preference system so that housing assistance for homeless persons does not adversely affect households already on the assisted housing waiting lists. Many persons have been on these waiting lists for long periods of time, and it does not seem equitable to allow homeless persons to receive assistance at the expense of those on the waiting lists. The need is for more housing assistance to take care of both the homeless and those on waiting lists.

   In addition, measures need to be taken to prevent abuse of the preference system. Persons from neighboring jurisdictions, who cannot find housing in those jurisdictions, come to our local shelters. They then become eligible for placement in public housing, ahead of local residents on the waiting list.

5. Expand the Federal resources available for drug treatment, job training, and education for persons living in subsidized housing. Do not expect housing authorities to obtain these monies from existing modernization funds or operating subsidies, or from other programs, such as the Community Development Block Grant (CDBG) program, where funding levels have dropped significantly due to severe cutbacks in Federal programs.

6. Develop a coordinated system (among the Departments of Labor, Housing and Urban Development and Health and Human Services) for dispensing benefits to needy households. This coordinated approach should focus on prevention and be designed to empower the recipients to achieve self-sufficiency. For example, the standards for determining minimum wage do not provide adequate income to obtain affordable housing in most urban areas. A coordinated approach to benefits would help to address this issue.

7. Declare ineligible for designated public assistance programs (ADC, food stamps, etc.) individuals convicted of drug dealing.

8. Establish a national clearinghouse and a databank on households evicted for drug activities, which also has procedures for removing the names of individuals who are no longer involved in drug-related activities.

9. Provide comprehensive training to public housing agency personnel and tenants on drug related issues (law enforcement and substance abuse treatment).

10. Increase Federal resources to fund increased law enforcement activities resulting from the surge in drug activity.

Alexandria's immediate response to drug-related crime is increased police activity. As a result, 44% more drug-related arrests were made in 1988 than in 1987, and 1989 promises to break records as well.

Significantly more people were processed in 1988 through our criminal justice system than in the previous year. Most of these people spent at least some time in our City Detention Center. The Detention Center is a $26 million facility that opened in 1987 with a capacity of 333 inmates. It has routinely held well over 440, with no end to the overcrowding in sight. Overcrowding at State prisons results in delays in moving State prisoners out of local facilities, further exacerbating the situation.

Most persons arrested for drug-related crimes are prosecuted by our Commonwealth's Attorney, who reports that in 1988 his office experienced a 300% increase in cases over 1987. He estimates that at least 95% of these cases are drug related: drug possession or sales; crimes committed while under the influence and/or crimes committed to support another addiction, including alcoholism.

11. Provide increased funding for drug treatment and prevention programs.

12. Provide funds to study how defensible space can be built into existing public housing projects and how newly developed public housing sites can be designed to include defensible space.

America is facing one of its worst crises as a nation -- we are ravaged by the crack drug crisis which destroys the minds and souls of millions of our citizens and threatens to spin out of the control of our law enforcement agencies. It was disheartening to read in the Washington Post, recently, how rural towns like Winchester, Virginia and Charleston, West Virginia have open air drug markets which they struggle to control.

We must continue to seek adequate work, decent housing and health care, and the best education for everyone. We must instill hope in our youth and ignite within them a sense of self-respect and integrity and an appreciation for learning and hard work. We must show them that drugs are not the answer.

Finally, we must once again strive to achieve the goal of safe, decent, sanitary and affordable housing for everyone. Congress can help our nation realize this goal by making affordable housing one of the highest funding priorities for the last decade of this century.

The Effect of Drug Activities in Privately Owned Government Assisted Housing

Testimony before the

Senate Subcommittee on Housing

and Urban Affairs

July 20th, 1989

by A. Bruce Rozet, Chairman
Associated Financial Corporation

The Effect of Drug Activities in
Privately Owned Government Assisted Housing

Mr. Chairman, I appreciate the opportunity to present testimony before this Committee on the disastrous epidemic of drugs that has infested our low income housing developments throughout the country.

Our organization serves as General Partner for 350 government assisted projects consisting of almost 50,000 family housing units. Most of these units serve families with incomes below 50% of median income.

During the past two years, we have become aware of the vast increase of drug activities in many of these projects. In 1988 we conducted a survey of over 8,000 families which confirmed the growing effects of this drug problem. Some of the desperate pleas of the renters and the views of their world as seen through the eyes of their children are preserved in a book we have prepared entitled "Voices from the Front." Copies have been made available to this committee along with a cover letter sent to Secretary Kemp.

Over 61% of those surveyed indicated that drug activity in their housing development was "High" or "Average" and over 78% were aware of drug dealers operating on the property. Over 52% felt personally in danger from drug dealing or use at their property.

This rapidly increasing spread of drugs threatens the lives of residents and makes their day to day existence intolerable.

Many of the properties have become major centers for drugs and other criminal activities. Low income housing developments have become the shopping centers for drug activities in hundreds of cities throughout the nation.

In the process, the properties themselves have suffered a form of accelerated depreciation never envisioned under any tax code or replacement reserve policy. The drug activity breaks down the sense of community that often sustains day to day activity amongst low income families. Good renters leave. Those who remain are often the families with the least resources. Vacancies increase and vandalism is commonplace. Maintenance crews cannot keep up with physical repairs and are often fearful of carrying out their duties. Limited rental income is diverted to Security Services, further accelerating physical decline. Within a year, decent, safe and sound low income housing becomes a physical and sociological disaster and a blight on the community.

This national problem has been most clearly identified in Public Housing Projects over the past year. Congress has passed legislation providing additional financial resources to fund Drug Elimination Activities in Public Housing.

However, Privately Owned Government Assisted Housing faces exactly the same problems, but have considerably less resources available to eliminate the drug plague. The Omnibus Drug Bill made no provision to provide resources to privately owned housing.

The HUD budget currently has no provision for addressing drug problems in privately owned projects. Current HUD policy places the burden on owners to eliminate drugs from housing with the owners' own resources. This is a naive and unworkable policy. Typically, owners rely on income from operations to maintain the property's physical integrity. They receive no cash distributions, and with the tax law changes, receive no further tax benefits. They are content to keep the properties for low income use, but cannot be reasonably expected to provide the extensive emergency capital required to secure drug infested properties.

At the instance of recognition of drug problems, security costs in a typical 100-200 unit property increase from $10,000 - $15,000 per year to over $250,000 per year. And security services alone will not solve the problem.

Even with prompt and decisive action at the first evidence of drugs in a project, there will be a need for physical improvement of the property. The additional capital requirement can range from $3,000 to $5,000 per unit, depending on how long the drug activity has been actively based at the property and the immediate physical security needs.

Finally, the very design of many projects is conducive to harboring drug activity. Concepts of defensable space were never incorporated in original designs of many properties. Ease of entry and exit make certain projects particularly attractive to drug dealers and difficult for police and security services to

secure. Correcting these basic design deficiencies can further add to the costs of revitalizing the housing to keep it drug free.

But there is no substitute for facing the problem at the earliest possibility. Delays increase the cost and add unnecessarily to the human misery. For HUD to adopt a policy abdicating responsibility for dealing with drug problems in a timely and effective manner only contributes to increasing drug activity, and the loss of valuable low income housing.

Recently, in two assisted housing projects, the HUD office spent a year arguing over whether HUD or the owner had the responsibility to eliminate drugs in 400 low income units. Though the properties had Section 8 rent subsidies, HUD failed to grant requested rent increases to provide adequate security. Eventually, HUD even cut off the Section 8 rent payments virtually eliminating all security and exposing the residents to unbridled drug activity and crime. This ill conceived strategy has cost human life and misery and could eventually result in the total loss of the housing.

A HUD policy that permits this to happen is illogical and wrong. HUD must come to the negotiating table with the owners immediately upon the discovery of increased drug activity to develop an effective solution - but HUD must come to the negotiating table with resources and the will to preserve the housing.

HUD does have resources, but clearly needs Congress to mandate solutions and provide additional resources.

1) Where projects have existing Section 8 rent subsidies, rent increases can be promptly approved to increase security.

2) Rehab loan programs including Section 241, Rental Rehab, Flexible Subsidy, and Capital Improvement Funds should be approved on a fast track to improve security and rehabilitate the property.

3) Owners should be encouraged to provide additional capital with tax credit incentives.

4) If HUD holds an assigned mortgage, the normal debt service payments can be abated to permit funds to be invested in security and project repairs.

By promptly using these available resources, HUD can move to stem the growth of drug activity and preserve housing.

HUD, however, needs additional resources and Congress must extend the provisions of the Omnibus Drug Bill to Privately Owned Government Assisted Housing. A HUD Regional Manager recently told me he had instructed his offices to increase rents promptly to increase project income to help combat drug activity, but admitted this provided very limited resources. He needs funds available to allocate to the property for emergency use to stop the drug traffic.

HUD recently issued a Notice PIH 89-15 to Public & Indian Housing authorizing the use of CIAP Funds for Drug Elimination Activities. A copy of this Notice is attached as an exhibit. It lists Physical Improvements and Management Improvements as items eligible for use of Comprehensive Improvement Assistance Program Funds.

More recently, HUD issued Notice CPD-89 authorizing the use of CDBG funds in support of drug abuse programs in assisted housing. The Notice is attached. Both of these notices identify eligible uses for funds to combat drugs.

However, no source of funds is available to HUD offices to combat drugs in Privately Owned Assisted Housing. Congress must authorize funds for use by HUD loan management personnel in a manner similar to the use of CIAP and CDBG funds to address problems of drug abuse.

The key to success in curbing drug traffic is timely identification of the problem and fast action by HUD Area Offices to preserve the integrity of the housing. Where Public Housing Authorities have the organization, and resources provided by Congress and HUD, Privately Owned Assisted Housing lacks even an established HUD policy for coping with drugs. Congress, by mandating preservation of existing housing and by identifying the drug epidemic as a threat to preservation, can help HUD to orient its staff to utilizing available resources to eliminate drugs from Privately Owned Assisted Housing.

4359, SPP

PUBLIC AND INDIAN HOUSING
Community Document Service
8555 16th Street, Suite 100
(301-588-6380)
Silver Spring, MD 20910

Special Attention of:
Public Housing Agencies; Indian Housing Authorities; Regional Administrators; Regional Public Housing Directors; Field Office Managers; Housing Management Division Directors; Chiefs, Assisted Housing Management Branch; OIP Managers

Notice PIH 89-15 (PHA)

Issued: April 4, 1989
Expires: April 30, 1990

Cross References:
CIAP Handbook 7485.1 REV-3

Subject: Comprehensive Improvement Assistance Program (CIAP) - Use of CIAP Funds for Drug Elimination Activities

1. Purpose. This Notice provides additional guidance to Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) on the eligible uses of CIAP funds in the effort to eliminate drugs in Public and Indian Housing. This Notice also explains how PHAs* selected for Joint Review during Fiscal Year (FY) 1989 may receive extra points in the improved habitability scoring after Joint Review for drug elimination activities.

2. Eligible Activities. Appendix 1 of this Notice sets forth the eligible uses of CIAP funds for drug elimination activities. These activities include physical improvements under special purpose, emergency, and comprehensive modernization, as well as management improvements under comprehensive modernization only. In addition, Appendix 1 explains the need for PHA coordination with local governmental strategies and programs to ensure that PHA efforts and funds are not wasted.

3. Improved Habitability Scoring.

   a. PHAs Selected for Joint Review. During FY 1989, any PHA selected for Joint Review may enhance its preliminary application by proposing drug elimination activities in accordance with Appendix 1. The PHA may propose such activities either at the time of Joint Review or before the end of the Joint Review period, even if such activities were not proposed in its preliminary application. Before the end of the Joint Review period established by each Regional Office, such a PHA shall submit to the Field Office a

* Unless otherwise noted, the use of "PHAs" refers to both PHAs and IHAs.

PPP : Distribution: W-3-1, W-2(H), W-3(H), R-1, R-2, R-3, R-3-1(PIH), R-3-2, R-3-3, R-6, R-6-1, R-6-2, R-7, R-7-1, R-7-2, R-9, R-9-1, 138-2, 138-7

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HUD 2:18.3 (83)
GPO 871 902

written explanation of how its proposed drug elimination activities relate to its own overall strategies and programs, including tenant support, as well as to local governmental strategies and programs.

b. Additional Points. In scoring the improved habitability factors after Joint Review, the Field Office shall provide the maximum number of points on the factor, "Extent to which both physical and management needs are effectively addressed," for the PHA which is proposing eligible and justified drug elimination activities. In addition, the Field Office shall provide the maximum number of points on the factor, "Local government and tenant/homebuyer support," for the PHA which has provided a written letter of support from the local government and has demonstrated how the PHA's proposed activities will support local governmental efforts to eliminate drugs.

c. CIAP Application Processing System (CAPS). The Field Office shall identify projects with drug elimination activities in the "comments" section of the Preliminary Funding Decision screen of CAPS and shall classify projects with drug problems as meeting the statutory funding preference of Group 2C.

Thomas Sherman

Acting General Deputy Assistant Secretary for Public and Indian Housing

Appendix 1

USE OF CIAP FUNDS FOR DRUG ELIMINATION ACTIVITIES

HUD strongly encourages all PHAs to take an active leadership role in eliminating illegal drugs from public housing projects. The use of "PHAs" refers to both PHAs and IHAs.

HUD recognizes that the elimination of drugs in public housing and the protection of public housing property require the cooperation of the local government and the provision of resources beyond that which are currently available to support the Public and Indian Housing Program.

The eligible uses of CIAP funds in the effort to achieve drug-free public housing include physical improvements under special purpose, emergency, and comprehensive modernization and management improvements under comprehensive modernization.

Physical Improvements

Under special purpose, emergency, and comprehensive modernization, eligible physical improvements related to eliminating drugs include: installation of security hardware and additional lighting; creation of defensible space through redesign of entrances; provision of fencing around the perimeter of the project; and conversion of a dwelling unit into nondwelling space for use by project management or tenant patrols. Under emergency modernization, a determination as to the eligibility of the physical improvement (i.e., correction of an imminent threat to tenant life, health and safety) must be made on an individual work item basis.

Management Improvements

Section 14 of the U.S. Housing Act of 1937, as amended, allows for the funding of "improvements needed to upgrade the management and operation" of each project being comprehensively modernized. Implementing regulations at 24 CFR 968.5(b) state that:

* Management improvements that are project specific or PHA-wide in nature are eligible modernization costs where they are necessary to correct identified management problems and to sustain the physical improvements at the project being modernized. This condition reflects the statutory intent that management improvements be in support of the physical improvements.

Appendix 1

* Management improvements shall be fundable only for the implementation period of the physical improvements. In rare cases, HUD may approve a longer period, up to a maximum of five years, where it is clearly shown to be necessary to complete the initial installation and demonstrate that the management work item will bring about needed management improvements.

* Where management improvements involve ongoing costs, HUD is not obligated to provide continued funding or additional operating subsidy after the end of the implementation period. The PHA is responsible for finding other funding sources, reducing its ongoing management costs, or terminating the management activities.

Although the use of CIAP funds for management improvements involving drug-elimination activities has some limitations in the statute and regulations, there are activities which are eligible for CIAP funding and which, when coordinated with local government efforts, may contribute to the overall effort against drugs. Under comprehensive modernization, examples of eligible management improvements include:

* hiring of additional staff to coordinate the provision of appropriate social services, such as drug education and treatment referral programs, provided by local government or other public and private entities;

* hiring of security guards during the implementation period of the physical improvements or longer (not to exceed five years);

* development of more timely management techniques for dealing with disruptive tenants and drug-related crime;

* development and implementation of improved screening procedures for prospective tenants;

* organization of unarmed tenant patrols to report suspicious activity to local law enforcement agencies. (Note: purchase of nonexpendable equipment for tenant patrols is an eligible physical improvement cost); and

* development and implementation of improved communication and coordination with local law enforcement agencies.

Hiring of additional staff or use of existing staff to directly provide social services to the tenants of the project to be comprehensively modernized is an ineligible management improvement and, therefore, an ineligible CIAP expense. Examples of ineligible activities include:

* hiring of additional staff to provide directly social services, such as drug education and treatment referral programs;

* provision of expendable materials and goods, such as "Just Say No" T-shirts, caps and buttons, to tenants; and

* development of drug education videos.

Under special purpose and emergency modernization, management improvements are ineligible for CIAP funding.

Local Government Cooperation and Other Public/Private Resources

Under the terms of the Cooperation Agreement between the local government and the PHA, the local government is responsible for providing the same level of services (police, fire, trash collection) to public housing as are provided to other neighborhoods. Although Federal funds provide primary support, public housing cannot be operated successfully without the involvement of the local government and local community.

Accordingly, CIAP-funded improvements related to drug elimination should not be funded in a vacuum without such local involvement. PHAs that wish to use CIAP funds for drug elimination activities should justify how the activities relate to their own programs, as well as to local strategies and programs for both project and neighborhood improvement. This justification and a letter from the local government explaining how the proposed PHA's activities fit into local strategies and programs should be provided by the end of the Joint Review period.

Since, nationally, modernization needs far exceed available funds, it is essential that all CIAP funds be used for activities that will have a long-term beneficial effect on the improvement of public housing.

Special Attention of:

Regional Administrators
Category "A" Field Office Managers
Regional Directors for CPD
CPD Division Directors
CDBG Entitlement Grantees
State CDBG Grantees

Notice

CPD-89-

Issued:
Expires:

Cross References:

Subject: Use of Community Development Block Grant (CDBG) funds in support of drug abuse programs in assisted housing.

Many communities receiving CDBG funds are experiencing serious problems of drug abuse in public housing and other assisted housing projects. This Notice is intended to remind local and state officials that CDBG funds may be used for a broad range of activities to address problems of drug abuse in such housing projects.

Some examples of eligible activities that may be undertaken to address such problems are:

1. Increasing law enforcement services to stop the sale of illegal drugs in assisted housing, apprehend sellers of such drugs and reduce drug related crime in assisted housing;

2. Educational programs for assisted housing residents related to drug abuse;

3. Drug rehabilitation and counselling programs for affected assisted housing residents;

4. Recreational programs for youth and young adults residing in assisted housing;

5. Day care and after-school care programs for children of working parents residing in assisted housing;

6. Redesigning and modifying public places in assisted housing projects to enhance physical security or to address problems in those places which are difficult to police and which have been used for the sale of illegal drugs or where drug related crime has occurred;

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HUD 2180(3-80)
GPO 671 902

7. Rehabilitation or modernization of assisted housing properties experiencing substantial drug related crime to promote pride and strengthen the resolve of law abiding residents to rid their properties of such crime; and

8. Installation of security devices for elderly, handicapped or other assisted housing residents in need of such devices.

Grantees should note that many activities (e.g. the first five examples above) to address problems of drug abuse will be in the form of public services and as such are subject to the 15% limitation on such activities. Within the States program, the limit applies to each grant made to a recipient, rather than to the entire state grant. The 15% limitation and other information about the eligibility of public services is found at 24 CFR 570.201(e) of the CDBG entitlement regulations.

HUD urges each CDBG grantee to carefully consider activities to address problems of drug abuse in the assisted housing projects within its jurisdiction as it establishes its local priorities for use of CDBG funds and program income to be received in the future or when it is considering reprogramming funds previously received.

This notice is intended only to make clear to state and local officials that CDBG resources are available for this purpose. The final decision on setting priorities for use of CDBG funds and whether or not to use them for this purpose is made by the grantee.

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SUGGESTED LEASE LANGUAGE
INSURED MULTIFAMILY HOUSING

The following can be used to expand paragraph 13c of Appendix 19a:

The tenant agrees upon threat of eviction not to:

c. (1) permit guests or other household members to engage in unlawful activities in the unit, in the common areas or on the project grounds. These unlawful activities include but are not limited to the possession, use and/or sale of illegal drugs and disturbances or acts of violence that damage or destroy the dwelling unit or disturb or injure other residents.

(2) the tenant further agrees not to engage personally in unlawful activities in the unit, in the common areas or on or off the project grounds. Such activities include but are not limited to those listed in c (1) above.

STATEMENT OF
GREATER BOSTON LEGAL SERVICES
ON HUD'S DERELICTION OF DUTY IN
MONITORING AND MANAGING FEDERALLY ASSISTED HOUSING

BEFORE THE SUBCOMMITTEE
ON HOUSING AND URBAN AFFAIRS
UNITED STATES SENATE
DIRKSEN SENATE OFFICE BUILDING
ROOM SD-538
JULY 20, 1989

SUBMITTED BY DANIEL S. MANNING,
MARGARET F. TURNER, AND JAY ROSE

In Boston, the real HUD scandal is not what HUD has done, but what it has not done. Housing conditions in the poor communities of Boston are abysmal. In addition to the blight of leaking roofs, broken plumbing, rats and roaches, dangerous electrical wiring and a host of other physical defects many tenants must endure the terror of living in buildings with vacant apartments that are regularly and periodically taken over by drug users. Tragically, many of the apartments are vacant because of either deliberate policy decisions or egregious neglect by the U.S. Department of Housing and Urban Development. The so-called HUD "troubled projects" are among the worst housing in the city of Boston. These projects are either owned by HUD, controlled by HUD as mortgagee-in-possession, or should be controlled by HUD because the owners are in serious default under their mortgage agreements. HUD's neglect of these buildings has significantly contributed to criminal activity and drug trafficking in Boston's low income neighborhoods. Three examples will illustrate the problems encountered by poor people seeking relief from HUD.

Franklin Park

The Franklin Park Developments I and II are apartment complexes located in a poor and predominantly minority section of Boston. There are 373 apartments in 29 buildings spread among other buildings in a several block area. Despite the fact that the buildings were rehabilitated 10 years ago under the 221(d)(4) and section 8 property disposition programs (12 U.S.C. §1715 1(d)(4); 12 U.S.C. §1715-1a), By the mid-1980's the buildings were in terrible physical condition. In early 1986 the owners filed voluntary Chapter 11 Bankruptcy petitions. In October, 1986, after much litigation about control of the property, HUD was given leave to take immediate possession of the property and proceed with foreclosure. At the time it took over the property HUD made explicit representations in Bankruptcy Court that it would undertake major repairs to the projects. HUD representatives also met with tenants and said the security problems would be dealt with and that "drugs would not be tolerated".

For most of the next two years tenants continued to complain

about the horrible conditions. For example, in late 1987 complaints by 54 tenants showed falling ceilings, missing security locks, exposed wiring, rats, mice and roaches, uneven heat and hot water. Periodically tenants would meet with the manager to complain about the continuing deterioration. Each time they were told something would be done soon.

Although physical conditions remained poor, the worst problem plaguing tenants was, and still is, security and the worst security problem was the vacant apartments. By late 1988 over 75 of the 373 apartments were vacant. This occurred for two reasons: first, when physical conditions forced a family to vacate no repairs were made and second, HUD had an informal policy of not renting out apartments when it was "mortgagee in possession." For tenants these practices produced a nightmare because the vacant apartments were taken over as drug dens. Because the front doors to the buildings were not secure anyone could come and go at will. Tenants in buildings with vacant units lived in constant fear that they or their children would fall victim to drug violence or that their buildings would be set on fire by the junkies.

In September 1988, having exhausted all attempts to get HUD to act on its own, the Franklin Park tenants organization, Tenants Against Mismanagement, Inc. filed suit against HUD in the United States District Court. The individual tenants who joined the lawsuit did so **anonymously** because of fear of retaliation from the drug dealers using the vacant apartments. Among other things, the tenants supported their claim for relief with a statement from William Celester, the Commander of Area B of the Boston Police Department, who said:

> My personal observations and those of the officers who report to me are that people have been moving into and using vacant apartments of Franklin Park Developments I and II for drug sales. Vacant apartments and buildings have been used for drug-shooting galleries. Such use of vacant apartments pose a danger to the police officers assigned to the area, to the other residents of the buildings, and to the community as a whole. The condition of the buildings contributes significantly to the crime problem in these buildings and in the community.

Despite protestations that conditions were not as bad as tenants claimed, HUD was willing to enter into a comprehensive agreement specifying in detail a repair and security program for Franklin Park. This agreement provided for extensive repair of physical defects, creation of an emergency repair system, repair and rental of all vacant apartments and short term provision of security through hiring off-duty Boston police officers to patrol the buildings.

The settlement agreement provided for a three month trial security patrol program which has since been extended until the end of July, 1989. From the tenants' vantage point, the patrols have been very effective in changing the climate of fear within the buildings. From HUD's standpoint, the patrols have been costly and have not shown a reduction in vandalism-related repairs. HUD has not yet decided whether or in what form to continue the patrols.

While the security patrols provide a vital measure of emergency protection the real issue is the long term stability of the property. Although HUD received permission to proceed with foreclosure of the mortgage, nearly three years ago no foreclosure has occurred. Until there is a new ownership plan, a comprehensive renovation program and full occupancy of the buildings, the problems which have plagued Franklin Park will not be eliminated. The tenants are pleased that a lawsuit could bring them some measure of relief but they know they will have to remain vigilant in order to get HUD to live up to its full responsibilities.

Theroch

Theroch I and II are scattered site developments with mortgages insured pursuant to Section 221(d)(4) of the National Housing Act and a Section 8 property disposition subsidy. The developments contain 222 apartments, including 70 units, or over 30 percent, which are currently vacant and uninhabitable. Because missing locks and broken doors make the vacant units easily accessible, they have become a resource for squatters, local drug users and drug dealers. Tenants find urine and feces, as well as syringes and other drug paraphernalia, in the common areas and vacant units. Shootings and stabbings have become commonplace in certain buildings, and the tenants, many of them elderly and disabled, live in fear.

This drastic state of affairs is a result of HUD's failure to seek to become mortgage-in-possession of the development despite years of egregious mismanagement by the private owners. The owners, limited partnerships headed by a local developer, Herbert Long, acquired the property in 1979. A HUD audit completed in December, 1981, found that Long had misused hundreds of thousands of dollars in project funds for the period 1979 to 1980. Facing utility shut-offs because of his failure to pay gas, electric and water bills for the projects, Long's limited partnerships filed Chapter 11 bankruptcy petitions in 1981. Long's identity-of-interest management company was forced to step aside in favor of an independent management company in 1982, and a receiver was appointed by the local Housing Court in March, 1983 as a result of a lawsuit by the tenants in March, 1983.

From March, 1983 until September, 1986, the court-appointed receiver managed to improve conditions in the development until the project was 100 percent occupied and at least basic maintenance was performed satisfactorily. Based on representations to the court and to the tenants that HUD would

take possession of the development upon termination of the receivership, the Housing Court ended the receivership in September, 1986. Despite its prior representations, however, HUD allowed the property to revert to Long and did not seek to become mortgagee-in-possession, with disastrous consequences. In addition to neglecting maintenance and refusing to re-rent vacant apartments, Long soon was faced again with imminent utility shut-offs due to his failure to pay water, gas and electric bills. Finally, on June 15, 1989, Long filed his second Chapter 11 petition, frustrating the tenants' attempts to force HUD into action.

HUD's neglect of Theroch has not only squandered taxpayers' money and resulted in real suffering to the Theroch tenants, but has blighted an entire neighborhood. Half-vacant, unsecured buildings like those at Theroch provide a haven for criminal activity that spreads not only throughout the buildings themselves but throughout a several block area surrounding each neglected building. HUD's indifference has thus affected not only HUD tenants themselves, but destroyed property values and seriously impaired the peaceful occupancy of residents in neighboring private buildings. Efforts by HUD tenants and community residents to improve their neighborhood can be completely thwarted by HUD neglect of federally-assisted buildings in the area, over which the tenants are powerless. (See attached Boston Globe article quoting the City of Boston's Director of Inspectional Services, Peter Welsh, who said "They're trying to renovate the units and get the drug dealers out of the Granites. What's going to happen is they'll move right over to [Theroch] next door if HUD doesn't move quickly. All the city's good work on the Granites will go down the drain.") At the very least, federal efforts to curb drug activity in public and federally-assisted housing must be directed at keeping HUD from actually promoting drug and other criminal activity by failing to provide decent, safe, secure and fully-occupied housing for low-income tenants.

Geneva Avenue

Geneva Avenue Apartments is a 60 unit development constructed in 1966-67 with a mortgage insured under Section 221(d)(3) of the National Housing Act. The mortgage has been in default since 1974. The current owner, a limited partnership headed by California developer Allan S. Bird, purchased the property in 1980 in the midst of a foreclosure proceeding against the original owner.

HUD approved the transfer to Bird contingent on Bird's making $289,640.00 worth of repairs to the property out of his own funds and his execution of a modification agreement to bring the mortgage current. Bird never fulfilled his obligations to make repairs or to execute the modification agreement, but instead transferred the property to a third party who never obtained HUD approval to operate the property. By 1986, delayed maintenance to the roofs created such serious leaks that several tenants were forced to flee their apartments to escape collapsed

ceilings, ruined electrical wiring, and buckled floors and doors. Because of an ineffective heating system, corroded heating elements, and battered and non-weathertight windows and doors, the majority of tenants were routinely forced to use electric ovens, space heaters and other appliances to supplement their heat. An entire building of six units became uninhabitable in early 1988 when the main water pipe to the building froze and burst as a result of a heating system failure. Only after being sanctioned by HUD and sued by the tenants did Bird reappear to re-assume control of the property in February, 1988.

Despite Bird's non-compliance with his prior agreements with HUD, and strong opposition from the tenants, HUD awarded Bird $1,096,796.00 in flexible subsidy monies. In awarding the flexible subsidy monies, HUD effectively ignored not only an architectural report obtained by the tenants indicating that Bird's proposed repair budget was some two million dollars short, but reports from its own inspectors that the repair budget was insufficient to complete all of the work required. Now, several months after the repairs were supposed to have been completed, Bird has acknowledged that he lacks funds to repair the 20 gutted units. The vacancy rate stands at a shocking 42 percent, and the latest report from the tenants' architect indicates that the work completed on occupied units failed to address potentially serious structural and plumbing problems that may threaten the safety and well being of the tenants.

Conclusion

Section 203 of the Housing and Development Amendments of 1978, P.L. 95-957, as amended by §181 of the Housing and Community Development Act of 1987, P.L. 100-242, places, among other things, two important obligations on HUD. When HUD owns a project or is mortgagee-in-possession it must "to the greatest extent possible" maintain projects in "decent, safe and sanitary condition" and maintain "full occupancy." When HUD is not the owner the "Secretary shall require" the owner to meet those same obligations.

Franklin Park demonstrates that HUD is unwilling or unable to meet its own obligations without the threat of judicial intervention. Geneva Avenue and Theroch show that HUD is unwilling to force owners to meet their obligations and, because there is no clear statutory duty to do so, will not take possession itself to bring tenants the measure of decency and safety they deserve.

We recommend the following statutory changes to ensure that HUD meets its obligations:

1. There must be a statutory period of limited duration (three months) for HUD to determine if it can accomplish a workout with the current owner of a troubled project. A default in the mortgage or regulatory agreement should trigger the workout period. If it is determined that a workout or Transfer of Physical Assets is not possible within the statutory three

months then HUD should be required to become Mortgagee-in-Possession and foreclose without delay.

2. 12 U.S.C. §1701 z-11(c) should be amended to include a §(3) as follows:

> (3) In the case where an owner of a multi-family subsidized housing project does not meet the requirements of paragraph (1) within three months after being told to do so by the Secretary, the Secretary shall become mortgagee-in-possession and begin foreclosure proceedings.

3. 12 U.S.C. §1701 z-11 shall be amended to include the following language. Full occupancy shall mean no vacancies for over 60 days except in circumstances that are both extraordinary and documented by HUD.

4. HUD should be required to take an inventory of all vacancies in all HUD housing including HUD owned and MIP units and all HUD-assisted privately owned stock.

5. Tenants should have a formal way to bring problems concerning conditions, security and mismanagement (such as rent miscalculations) to HUD's attention. HUD should have a duty to meet with the tenants and their representatives in order to resolve these issues without court action. HUD should develop a more comprehensive set of penalties and remedies to oversee management by regulation.

Boston official wants probe of failure to foreclose on 2 projects

By Peter S. Canellos
Globe Staff

A top city official is demanding an investigation into the US Department of Housing and Urban Development's failure to take over two large Roxbury housing projects, despite evidence of misuse of funds and poor management by the owner.

The owner, Herbert Long, last year hired John Knapp, the former HUD general counsel, to lobby administrators in the agency's scandal-ridden Washington office to stop efforts to foreclose on the properties and to increase rents.

Congress is currently investigating charges that highly placed consultants exercised undue influence over the department.

Yesterday, Peter Welsh, executive director of the city's Inspectional Services Department, called for an investigation into whether Long received special consideration from HUD officials in Washington in his fight against foreclosure proceedings.

Long's companies recently filed for bankruptcy for tenants in the 220-unit Theroch I and II projects, scattered along Columbia Road, Maple Street, and Sonora Street in Roxbury, living in conditions Welsh called "deplorable."

"Once they throw all these units into bankruptcy, there's no one we can go to to make these repairs," Welsh said.

"What makes me angry is, from my reading of this, there has been misuse of funds by the owner, cheating the people there, leaving the places in deplorable condition, and they were allowed to remain with the owner. That's unbelievable to me, that's criminal," Welsh continued.

Welsh said the bankruptcy court should appoint a trustee to manage the property and to compel HUD to take over the project. He also urged the agency to conduct a full investigation into possible favoritism in the department's failure to take over management of the properties.

The city has documented hundreds of uncorrected violations of the city's housing code, including sagging ceilings, defective electrical outlets, rat infestation, holes in walls and ceilings, missing smoke detectors, leaky windows, crumbling rear porches, defective plumbing, and lack of front-door locks.

Long yesterday denied that there was any favoritism in his treatment from HUD.

"There's no way anyone can show I got favorable treatment," he said. "If anything, we got 180 degrees the opposite."

Long said the poor conditions in the project are due to HUD's failure to provide adequate rent subsidies. HUD holds the mortgage insurance on the property and provides "Section 8" rent subsidies to all the units.

PETER WELSH
"That's criminal"

Long said he hired Knapp last year, about two years after the lawyer left his high-level post at HUD.

"He had meetings at HUD on my behalf, he's written letters substantiating that HUD has not treated these projects fairly," Long said.

Knapp did not return a phone call to his Washington office yesterday.

1981 audit

Long's problems with HUD date from a 1981 audit by the agency's Inspector General that found that the landlord "charged costs to the project which may not be reasonable and necessary project operating expenses."

By 1985, the regional HUD office had come up with $325,956 in improper expenditures and began foreclosure proceedings against the landlord based on misuse of funds and poor management of the projects.

Long said the charges of misusing money have not been proved. "I never had to pay any money back because I never took it," he said. "Over the years we have disproved all the charges except for less than $60,000 that remains due, and we even feel those are questionable."

HUD regional counsel Marvin Lerman said yesterday that the first effort [illegible] on Long was withdrawn in 1988 due to legal [illegible] stemming from a [illegible] order that the properties be placed in receivership. After a six-month delay, HUD began a new foreclosure case, which has now been interrupted by Long's filing for bankruptcy.

But the lawyer for the tenants in the project, Margaret Turner of Greater Boston Legal Services, called the termination of the first action against Long "inexplicable." She also charged that HUD has repeatedly failed to take over the projects on a temporary basis while the foreclosure case is pending.

"They have a right to go in and protect their property," Turner said. "They didn't do that. They had ample grounds to do it and a responsibility to the tenants."

Grants continued

The agency's failure to take over the properties during foreclosure allowed Long to continue collecting federal grants and rent subsidies while the units fell into greater disrepair, Turner said.

Lerman said the decision not to take control of the properties while foreclosure loomed was contained in a memo from local HUD officials. He said he did not know whether the decision was by the local officials or national HUD officials.

Thomas Demery, national housing chief under the Reagan Administration and a central figure in the HUD scandals, wrote a letter to Rep. Barney Frank in 1987 promising that HUD would foreclose on Long's projects.

Turner and Welsh say the letter demonstrates that the HUD Washington office was involved in decisions about the projects.

Demery said yesterday that he had no memory of the letter or the projects. "I would only have been involved as a matter of course," he said. "I don't think it elevated to my level except to sign the necessary documents."

Asked whether a high-placed consultant might have been able to influence HUD officials to leave the projects in Long's control, Demery said, "Anything is possible, as this story is beginning to demonstrate."

Pending an investigation, city officials and housing advocates want HUD to petition the bankruptcy court to take over the projects immediately. In an ironic twist, Theroch I and II are in the same neighborhood as the Granite Properties, a similar scattered-site HUD housing project that is undergoing a long-delayed renovation.

"They're trying to renovate the units and get the drug dealers out of the Granites," Welsh said. "What's going to happen is they'll move right over to Long's properties next door if HUD doesn't move quickly. All the city's good work on the Granites will go down the drain."

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THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS HOUSING FINANCE AGENCY
50 MILK STREET
BOSTON, MASSACHUSETTS 02109 · (617) 451-3480

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MARVIN M. SIFLINGER
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Deputy Director

Testimony of Eleanor G. White
Deputy Director,
Massachusetts Housing Finance Agency
For the Roundtable Discussion of the Senate Subcommittee
on Housing and Urban Affairs
July 20, 1989

I very much appreciate the opportunity to participate in this hearing on "Drugs in Federally Assisted Housing", an issue which I believe to be of central importance in our ongoing effort to revitalize communities across the country. I am most familiar with the experience in housing developments in Massachusetts and I hope to share here the specific experience of my Agency (MHFA) in attempting to deal with this problem.

The MHFA Experience

The Massachusetts Housing Finance Agency has been in existence since 1969. We have financed the development of over 66,000 multifamily housing units, almost 50,000 of them for our permanent portfolio. During that time, we have foreclosed on only 200 units. Our portfolio includes units assisted under the Federal Section 236 and Section 8 programs, as well as similar State subsidy programs. Our mission is to produce quality mixed-income housing developments that will remain long-term assets to their communities.

For most of our portfolio, MHFA carries the long-term real estate risk. Since 1984, MHFA has financed almost 10,000 units under a State subsidy program developed in response to the Federal withdrawal from the subsidized housing business. All of this is by way of background: MHFA has a long successful history of financing and then monitoring of ongoing management. We are very proud of our record.

We are also very proud of our success in dealing with the human side of housing. In 1984, MHFA initiated a Tenants Assistance Program (TAP) to help management staffs and tenants deal with the problems of alcoholism and substance abuse among the tenant population in our developments. Beginning with a

focus upon the elderly, TAP soon expanded to provide extensive training and resource coordination throughout the portfolio. Currently, more than 25,000 MHFA-financed units are participating in TAP, with more signing up every month. This award-winning program has been replicated by other states with similar results. Although MHFA funds overhead administrative costs, the program is primarily paid for by fees from participating developments, offset in large part by major rebates on property insurance premiums granted by MHFA's insurance carrier.

MHFA's participation in human service delivery took a quantum leap as we began the process of financing the rehabilitation of the 2,000-unit "Granite Properties" in Boston's inner-city neighborhoods of Roxbury and Dorchester. These properties had been rehabilitated under HUD's Section 221(d)(3) program in the 1960's and had suffered from years of deterioration and neglect. HUD eventually foreclosed in 1985 and arrangements began for sale of these properties to private developers via a bidding process and to non-profit community development corporations (CDC's) through negotiated sales. The commitment of Boston's business community through the Boston Housing Partnership and CDC's has been central to this effort. MHFA is providing the mortgage financing for most of these properties through a complex mix of almost $100 million in taxable and tax-exempt bonds, HUD 221(d)(4) coinsurance, and 15-year Section 8 Property Disposition subsidy. We believe that if the Granites rehabilitation is done right that it represents the last great opportunity to reclaim the Roxbury and Dorchester neighborhoods of Boston as viable, safe living environments.

As we began initial meetings with the tenants of these properties in early 1986, they made it clear to us that the effort was doomed to fail if no one dealt with crime, violence, and community disintegration brought on by illegal drug dealing in these buildings and in these neighborhoods. In response to the information given us by tenants, we convened MHFA's Boston Inner City Task Force in April, 1986. The Task Force, which I chair, continues over 3 years later to meet every month; we believe that it is the first effort of its kind by a housing finance agency in this country.

Membership on the Task Force draws upon the public and private sectors, with expertise not only in housing, but in law enforcement and social services. Regular participants include: MHFA and the Massachusetts Executive Office of Communities and Development; the City of Boston Police Department and the Mayor's Office; the Boston Affordable Housing Coalition and tenants; the Boston Housing Partnership and the CDC's; Greater Boston Legal

Services; and private housing developers, management agents, clergy, medical/social agencies and many others. It is unfortunate that HUD staff has not attended Task Force meetings for over a year, although they were important and valued members in the early months.

The goal of the Task Force is to make fundamental improvements in the quality of life in the neighborhoods, looking beyond the repair of bricks and mortar and focusing on problems of crime and drug trafficking. To MHFA, this approach makes good business sense, as success will dramatically minimize the Agency's and the bondholders' risk. Experience has also shown that crime, lack of city services, poor management oversight, and inadequate tenant involvement are what doomed past efforts to improve these properties. I will be speaking more to this point. Our short-term goal is to assure that tenants simply feel safe once they are inside their buildings.

Essential lines of communication and accountability have been established among tenants, developers and public officials. The Task Force, which meets monthly with an average of 75 people in attendance, has addressed a number of issues. Crime, especially drug-related crime, is at the top of the list of problems which plague the Granites. As a result of Task Force discussions, and continuing attention and follow-up, we have accomplished the following.

- Boston Police Department staffing has increased by at least 25 percent in the area. A "Power Patrol," the reinstatement of foot patrols for the first time in 10 years, and the opening of a new police station, have resulted in a dramatic increase in arrests and in increased (and visible) police presence in the area. The support of the Mayor of Boston and Police Commissioner have been outstanding.

- When it became clear that property managers and tenants had little understanding of (or confidence in) the police system, MHFA retained the services of a retired Police Superintendent to act as a liaison among the Police, the tenants, and property owners and management agents to coordinate crime investigations and to track arrest results, leading in many cases to successful eviction of long-time drug dealers in these units, and an increasing partnership between tenants and police.

- The State Drug Lab has been directed to give priority to the analysis of confiscated substances and paraphernalia in Granite area arrests and investigations to assist in the

prosecution of such cases, and has received increased funding and staff. Backlogs have been reduced from several months previously to a current backlog of one week. These delays had been identified in the Task Force as a major cause of drug cases being dismissed in court.

- A judicial sub-committee of the Task Force in its analysis of the court system has recommended the redistribution of resources and the assignment of additional judges to the Roxbury and Dorchester District courts, and/or the establishment of special drug sessions, in light of the large volume and the seriousness of the caseload.

- Further, MHFA commissioned the creation of a practical, "how-to" manual, "Successful Evictions from MHFA Housing for Misconduct and Criminal Activity," and conducted several follow-up training sessions for owners and managers of MHFA-financed housing. Greater Boston Legal Services has provided significant assistance in this training and has assured that the rights of law-abiding tenants will be protected.

- MHFA's highly successful Tenants Assistance Program (TAP), described earlier, will continue to play a significant role in the Granites. This program sensitizes property managers and their staffs to the issues and spill-over effects of alcoholism and substance abuse. Access to community resources, social services, counseling, referrals, and training are provided to the tenants and the housing providers. In addition, a special Inner City module of TAP has been developed and is in use.

- When ownership of these properties actually passed from HUD to the new owners, we were shocked by the degree to which these properties were out of control. Publicity about the Task Force had also alerted criminals about the plan to clean out these buildings. The threat to the safety of management staffs and decent tenants grew significantly. As a result, MHFA retained the services of a minority-owned, neighborhood-based security firm to protect these properties. Eric Straughter, the firm's owner, will be testifying today also. His staff has taken a 40-hour course at the Boston Police Academy and has been granted special police powers by the Police Commissioner. They serve as an adjunct to both police and management staffs in establishing control in these buildings, gaining the trust and confidence of tenants, and in gathering information leading to eviction of criminals. The security program has, in only 3 months, given tenants a sense that things <u>will</u> improve.

Testimony of Eleanor G. White July 20, 1989

The Task Force has proven to be enormously successful in both mobilizing tenant energy and advice and in holding public officials accountable in dealing with these problems. A Western Massachusetts Inner City Task Force, which I also chair, began meeting in Springfield, Massachusetts in June, 1988.

Essential Elements of the Task Force Effort

Based on the experience of the Inner City Task Force, I believe that the following are critical elements for a successful distressed property revitalization effort:

- Redeveloping substantially deteriorated housing depends on involving the tenants extensively in describing the problem and identifying the solutions. Likewise, the property owners must be committed to participating in these discussions.

- Any efforts aimed at dealing with drug trafficking and crime must be undertaken on multiple fronts which include the following:
  - increase law enforcement efforts
  - evict drug dealers
  - physically secure the buildings to prevent unwanted people from gaining access
  - provide security guards to protect tenants within the buildings
  - increase the ability of the judicial system to process the drug cases
  - address the personal issues of drug addiction
  - increase the provision of needed social services
  - address the recreation, education and employment needs of the community
  - establish a basic relationship of confidence between tenants and the owners/managers

- A successful effort requires the commitment to the process by public sector decision-makers including:
  - the Mayor
  - the Police Commissioner
  - the City Development Department(s)
  - the U.S. Attorney
  - the State Attorney General
  - the Legal Services Office
  - the Department of Mental Health
  - the Department of Public Health
  - the Department of Housing and Urban Development
  - the Local Housing Authority

- In the case of privately-owned subsidized housing, the most effective convener of this type of Task Force is the public agency providing day to day management oversight, such as HUD or a state or local housing agency. This is important for three reasons. First, the agency with management oversight has routine direct dealings with the tenants and management staff; second, it holds the purse strings on mortgage financing and/or subsidy resources; and third, as a public agency it has public visibility and accountability. I must note that not all such agencies would agree that this sort of activity is their business. Our experience has shown, however, that these agencies are uniquely positioned to be effective if they accept the challenge.

Let me now turn to some of the specific questions posed by Senator Cranston before we get to recommendations for Congressional action.

1. How widespread is the problem of drugs in public and federally-assisted housing (including HUD-owned)? Based upon MHFA's experience with its own portfolio, the use and abuse of drugs (including alcohol) is very widespread, reaching epidemic proportions in developments in the inner city or in economically distressed areas. We have found that our TAP program (described earlier) is needed and welcomed throughout our extremely varied portfolio. Clearly, this speaks to the need for extensive programs of education, counseling and treatment.

The question of drug-related crime is a somewhat different issue. We have found that crime occurs more often (obviously) in developments located in high-crime neighborhoods, but that the critical factor for controlling crime within developments is highly-skilled, caring property management staff. A well-managed assisted development in a high-crime area can in fact be a haven for its tenants and their children. In the case of the Granite Properties in Boston, we believe that taking control of potentially 2,000 units may prove to be a sufficient "critical mass" of safe havens to have a major, positive effect upon the revitalization of the entire neighborhood.

If the Granite Properties (HUD-owned until recently) are any indication, drug-related crime runs rampant in HUD-owned property in the inner city.

2. What has been the Department's record in monitoring the management of federally-assisted housing (including HUD-owned)? The recent history of HUD-owned property in Boston is one of mismanagement, incredible deterioration and absolute neglect. Recent Boston Globe articles relating to Geneva Apartments and Theroch I and II (all HUD-assisted) tell a compelling story of HUD's refusal to remove owners and managers whose tenants are living in unspeakable conditions. (Boston's head of Inspectional Services has termed one of these projects "the worst place to live in Boston".)

The problem, I believe, has been one of either apathy or outright antipathy to these programs at the top levels of the Department over the past 8 years and a shocking lack of resources at the operating levels. To make this point clear, let me contrast management resources at HUD and MHFA. MHFA attempts to maintain the portfolios ("caseloads" so to speak) of our management analysts at 18-20 developments each, split between the relatively easier suburban, financially-strong projects and more troubled projects in the inner city. Our information is that the analyst's HUD counterpart in Boston will be responsible for up to 60 developments as a result of severe staff reductions over the years. Is it then any wonder that HUD developments can become physically deteriorated to the point of squalor, with unacceptable tenant-management relations and -- one would have to guess-- unacceptable financial management systems?

As only one example, when the Granite Properties were sold by HUD to new owners, no one could provide even an accurate list of who the legitimate tenants were, greatly complicating efforts to evict illegal squatters and drug dealers.

The provision of sufficient (and well-trained) HUD staff to maintain control of these developments is expensive; it is, however, so clearly cost-effective in terms of asset protection of billions of dollars of real estate -- not to mention protecting the living conditions of millions of tenants -- that the HUD cutbacks must be seen as incredible and misguided.

Congress should mandate an adequate level of staffing within HUD for management oversight and should in addition establish and fund a program to provide adequate security and social services, at least in distressed developments. Current funding levels for such programs are inadequate or nonexistent. The Granite Properties effort has been successful also due in large part to a resident resource initiative (including tenant liaison staff) funded by the Boston Housing Partnership out of its own resources.

3. How should drug elimination efforts be coordinated with other efforts? Please refer back to my description of the Inner City Task Force. Federal housing assistance must be used to leverage other services. Few agencies would make the investment of their own funds that MHFA has made over the past 3 years to support this kind of effort. We are finding it increasingly difficult to continue to fund this program. Federal money flowing to HUD, state and local housing agencies who can demonstrate the need within their portfolios would, I believe, provide an incentive to such agencies to undertake this necessary but very staff-intensive effort.

4. What type of protective services have been most successful? Based upon MHFA's experience, I believe that the ingredients for a successful security program include:

- very strong tenant participation in the design of the security program and in the selection of the company. This may or may not include actual tenant patrols;
- the selection of a security company which is based in the neighborhood to be served, if possible, and whose staff is ethnically representative of the tenant population;
- ongoing regular communication among tenants, management, and security personnel for feedback relative to problems and issues;
- irregular, staggered hours and places of patrol so that criminals cannot easily figure out a pattern;
- complete coordination and cooperation with the local police to assure prompt and effective police back-up when necessary.

In housing assisted under HUD's Section 8 program, we understand that it is now possible to request special adjustments to Section 8 subsidy to pay for such security and we are exploring this with HUD now. Congress should make this security funding more explicit.

5. What types of security related physical improvements have been most successful?

- greatly-improved front and back entry doors and locks on buildings
- adequate intercom systems
- adequate lighting
- lighted, locked laundry areas
- effective means of securing vacant apartments- either boarding with screws (not nails) or keyed-alike doors to facilitate patrolling

6. What issues are raised by the Administration's move to waiver administrative grievance procedures in drug-related evictions? We applaud any move to expedite the eviction of drug dealers, as long as state and local legal procedures allow for due process and the protection of tenants' rights. Drug dealing represents a cancer within developments, leading to addiction, crime, and -- most destructively -- the conscription of children into both the business and the addiction. Drug dealers cannot be permitted to do business in housing supposedly protected by the public sector; there is widespread support for this view among the majority of tenants who are law-abiding and victimized by this scourge.

The Massachusetts Legislature is currently considering a bill which would permit a housing manager to get a restraining order against the drug-dealing member of a tenant family without evicting the entire family. This would permit arrest and incarceration if the drug dealer re-entered the premises. MHFA has supported this bill and supported an amendment so that it now would apply to both public and assisted housing.

7. What role does tenant participation play in drug elimination efforts? As I have stated earlier, tenant participation is central and essential to success. We should understand, however, that it takes time to build trust in the "system" that has in many cases neglected tenants for many years. Not only should programs funding protective services and physical improvements mandate tenant participation, they should provide specific funding for a tenant liaison function to build up the trust and communication necessary for effective tenant participation.

Summary of Suggested Congressional Action

Congress can assist in dealing with drug trafficking and crime in distressed subsidized housing in several ways:

- Congress should establish and fund a program for both security and social services (including training on alcoholism and substance abuse) in all developments. Current funding levels for such programs are inadequate or nonexistent. (If covering all public and assisted housing proves too expensive, resources should be targeted to troubled inner city projects.)

- Congress should authorize an eviction procedure which deals aggressively with drug dealers and other criminals, as long as State law provides adequate due process.

- Congress should increase levels of federal funding for anti-crime and tenant liaison activities directed specifically to (1) developments participating in a multi-pronged approach to addressing the drug problem (like the Inner City Task Force) and (2) to agencies which agree to take a leadership role.

- Congress should explicitly authorize Section 8 special adjustments to cover the cost of necessary security programs.

- Congress should require HUD to implement the Demonstration Property Disposition Program authorized in the Housing and Community Development Act of 1987. MHFA has attempted to participate in this program but has been rejected by HUD several times. To our knowledge, HUD has not yet made the program operational.

Conclusion

The drug problem in distressed housing developments can sabotage any maintenance or rehabilitation effort, no matter how extensive or expensive, if funds are spent only on bricks and mortar. A successful revitalization effort requires full participation of the tenants, a multi-pronged approach to address more than just the physical needs of the housing, and the accountability of public officials to ensure that what is promised is carried out.

Congress can play a vital role by providing resources and incentives to encourage such a comprehensive approach to combatting drugs and crime.

The Boston Globe, Thursday, July 13, 1989

Globe staff photo/Barry Chin

Rashawn Perry, 2, stands near a hole in the balcony outside his fourth-floor apartment at the Theroch II housing project.

Decline of a neighborhood

By Peter S. Canellos
Globe Staff

For three years, tenants at 129-135 Columbia Road watched their apartment buildings go into the maintenance equivalent of a free fall. Stairs crumbled, locks broke, drug dealers set up shop in empty apartments.

The decline started, they say, when the US Department of Housing and Urban Development decided to give the buildings back to landlord Herbert Long after two years of repairs overseen by a court-appointed receiver.

Residents say they and their representatives told HUD that turning management over to Long was a terrible decision, perhaps the worst of many HUD decisions that have helped cause their Dorchester neighborhood to deteriorate into a slum.

But until this year, they have never had reason to believe that HUD decision-makers were acting out of anything but incompetence or misguided ideology.

Now, as news of the growing HUD influence-peddling scandal joins the dull buzz of front-stoop gossip, they say they are not surprised.

"I always did say someone was getting paid for this," said Mary Perry, a longtime tenant of the Theroch II housing project, which encompasses 129-135 Columbia Road.

> 'The whole building is falling down. We used to have a lawn here, flowers, locks.'

The utter squalor of Theroch II is jarring: the chief of the city Department of Inspectional Services says it's the worst place to live in Boston, having accumulated more health code violations than the Geneva Avenue Apartments, another HUD-insured property that was the subject of a highly publicized legal battle last year.

Children tumble down broken staircases. Mice are so prevalent in the development that they live among cooking pots in kitchen cabinets.

And as with the Geneva Avenue project, HUD repeatedly ducked chances to take over management of Theroch II and nearby Theroch I from their landlord, despite a longstanding record of failure to make repairs.

Long said last week that the poor condition of the buildings was due to an inadequate level of subsidy from HUD, which helps pay rent for low-income tenants. The department did not provide enough money to keep the projects up to health code standards, he said.

But tenants countered that the court receiver did a much better job running the development without any extra HUD money.

Nadine Garrison holds the knife she calls Joey. The halls at Theroch II, she says, are used by addicts and dealers at night.

LONG, Page 27

HUD questioned on Dorchester units, called the worst place to live in city

■ LONG

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Members of the tenant organization say HUD's regional office had promised them that the department would assume management of the complex as soon as the buildings were freed from court receivership, which occurred in 1986.

Tenants went so far as to interview four potential management companies before HUD reneged on its promise; local officials said the department's Washington office had intervened in the takeover, tenants said.

Long lobbied Washington officials to protect his interest in the project. Last year he hired the former HUD general counsel, John Knepp, to contact HUD officials on his behalf.

Peter Welsh, executive director of the city Inspectional Services Department, last week called for a full investigation into possible influence peddling in the Theroch case.

But tenants say they aren't concerned which of the senior HUD administrators currently under investigation by Congress intervened to give Long the project. They want the projects seized from Long, whose company last month declared bankruptcy, and they want HUD to start to make repairs that city inspectors say pose grave risks to their well-being.

Lists of violations

Each tenant holds a long list of health code violations found in his or her apartment. But Long never fixed them, and with Theroch Associates, his company, in bankruptcy, he is freed of his legal obligation to fix them.

"The whole building is falling down," said Carol Speed, who lives at 135 Columbia Road. "We used to have a lawn here, flowers, locks."

The courtyard between the four buildings is now sprinkled with dirt, broken glass and chicken bones.

Failure to secure the buildings has hastened their decay. None of the doors – front, back, roof, basement – are secured in any of the buildings. Front and back halls have become havens for drug sales and use; a cursory inspection of the back hall at 131 Columbia Road revealed matches, charred rolling paper, empty vials, and syringe parts.

The hallways smell strongly of urine and feces. Anna Nails, a tenant in 133 Columbia Road, said she once found human feces in the front hall of her building. She said she cleaned it up herself so her elderly neighbor, who had cataracts, would not slip.

"It was very offensive," said Nails. "I prayed to God to give me the strength to clean it."

Nails added, "We're being punished and we're still paying rent."

Long has a tough eviction policy for tenants who don't pay rent, and some residents say he tries to force them out by refusing to accept back rent. So although city inspectors have urged tenants to begin a rent strike, most have refused. They say they don't want to risk eviction because they fear losing their federal Section 8 rent subsidies and becoming homeless.

Falls down stairs

Margaret Perry of 129 Columbia Road said her 9-month-old granddaughter sliced open her hand on a raw nail on a broken kitchen cabinet. Her 2-year-old nephew fell down the stairs twice after tripping on broken floorboards. Two young men were hospitalized last week after they fell two stories down the stairwell at 133 Columbia Road after a railing gave way.

When inspectors found that the balcony outside Perry's fourth-floor apartment had holes in it and was in danger of collapsing, and advised her to stop paying rent until it was fixed, she refused. "I don't have anywhere else to go," she said. "Where can we go?"

Tenants say the fear of crime in the complex is numbing. Many say they avoid back entrances and hallways.

Nadine Garrison carries a six-inch knife with her. She said she carries the weapon to protect her 19-year-old daughter, Nicole. But lately Nicole has chosen to live with friends in New York rather than come home to Theroch II.

"She has to come back to finish school," Garrison said. "And she loves me but she won't stay here. They've taken her away from me. And it hurts a lot."

Garrison has given her knife a name, Joey, and she calls the weapon "my protection."

"I have a new son – Joey," she said. "A woman has to have someone."

STRAUGHTER ASSOCIATES

Written Statement of Mr. Eric Straughter
20 July 1989

To: The Honorable Alan Cranston
United States Senate
Committee on Banking, Housing, and Urban Affairs

I am Eric Straughter, owner of a community-based company called Straughter Associates, duly licensed to provide security in Massachusetts. I am a long-time resident of Roxbury, Massachusetts. My involvement with subsidized housing began with my involvement with the Massachusetts Housing Finance Agency (MHFA).

My company responded to MHFA's Request for Proposals from community-based security companies to provide a special security patrol for the Agency's inner-city properties. My company was selected after going through a rigorous selection process in which the residents, property managers, and MHFA representatives were all involved. I make note that the involvement of residents in the security program did not end with my company's selection. An integral part of my security service for MHFA is to maintain open and regular communication between my personnel and the building residents. We do this by not only greeting them regularly during the patrols and encouraging them to talk freely with us, but also by holding regular tenants meetings in which we exchange information and answer their questions.

Subsidized housing is beset by a myriad of problems which can be solved by no one party. It will take a joint effort of residents, administrators, and police and security officials. We propose that this approach be implemented, as it successfully is presently being done, by Straughter Associates.

Our approach is to organize those whose lives are most affected by the offending condition. A successful solution to chronic subsidized housing problems must be a team effort, the components of which are:

- **Community support** - Housing advocates and tenant representatives must be consulted for their support. They can organize neighborhood watches and offer critical information if they feel that it will help rather than threaten them. Information is the key ingredient of an investigation. Many investigations are thwarted because of a lack of trust between the witnesses and the investigative agency. The neighboring community often suffers from the spill-over of criminal activity. They are the homeowners who are the bedrock of the community, and they must be consulted in the initial research of the assignment.

• **Management support** - Our officers must establish full communication and cooperation with management to assess problem areas and devise security strategies. Offenders must be subject to legal evictions once identified and convicted. There can be no revolving door in a subsidized housing environment.

• **Police support** - The municipal police and the security organization must establish a policy that defines their roles regarding patrols, emergency response and arrests. Straughter Associates and the police must concur on this policy. Every circumstance must have an appropriate plan of action that is rehearsed and each party must fully inform the other of pertinent intelligence. We do not and should not challenge the authority of any municipal police department. We work as a well-trained assistance force that enables the police to operate more effectively. Official jurisdiction is unquestionably with the police. Our approach is to gradually, and only through demonstrated professionalism, become a trusted resource in the assigned housing development.

• **Resident support** - Crime ultimately effects the tenants of a development, and we must work to persuade them to do their part. We must understand that among many subsidized housing tenants there is a sense of hopelessness that promotes a careless attitude. The plagues of urban life are most identified with these housing projects. Drugs are a result of despair, which is a result of a lost vision and few real opportunities. We want to establish a first name relationship with these who feel that all is lost and help to steer them toward what opportunities that there are. Many residents are solid community citizens who have vested interest in improving their environment. We must use their abilities as part of a successful plan.

• **Professional Security Personnel** - The residents must not consider Straughter officers to be an occupation force. Our trained personnel are taught to offer assistance rather than to dare tenants to break a rule. The officers must be able to relate to the diverse collection of personalities that he/she will encounter - from the choir singer to the crack addict and to recognize that they may be one in the same. The assignment is not just business, but also recognize that they may be one in the same. The assignment is not just business, but also community development and personal improvement. We measure results not just in crime statistics but also in employment rates, truancy rates, improved school grades and mortality. Officers must be courteous, neat in appearance, and above all respectful of those he/she is assigned to protect.

Security officers must be physically prepared to confront and subdue violators of the public tranquility with dispatch. There are no illusions about the fact that they are on the "turf" of drug dealers and/or gang bangers.

• **Data Collection** - Continually assess the "hot spots" or problem areas to shift resources accordingly. An intelligence base is necessary for effective targeting of operational strategies. We must monitor crime statistics and follow up on dispensation of previous arrests. Chronic offenders must not be allowed to relax while we are on the site. We will help them if they want to turn their lives around, and we will be hell to them if they don't.

Straughter Associates is not a social service agency, we are just cognizant of the plain fact that no band-aid approach useful today. Ultimately, all of these social ills will have to be reckoned with for security's sake - national and neighborhood. The officers that we recruit for this task must see the full picture. They have to be sincere and committed to results that benefit everyone. They must see their job as a career rather than a summer gid, and they must be paid accordingly. The owners and managers of these projects must be prepared to pay for such service. The cost of crime and property destruction far exceeds that of an effective security operation.

Any security plan must be tailored to the specifics of the site. The interest of the entire federal government are paramount, especially when it is understood that the government is the people in Washington, the taxpayer, as well as the tenants of these developments.

Respectfully Submitted by:

Eric Straughter, President
Straughter Associates

/lms

Massachusetts Law Reform Institute

69 Canal Street, Boston, MA, 02114
(617) 742-9250

TO: HOUSING ADVOCATES
FROM: JEFF PURCELL
RE: TENANTS UNITED FOR PUBLIC HOUSING PROGRESS POSITION ON GRIEVANCE WAIVERS
DATE: JUNE 9, 1989

The Tenants United For Public Housing Progress Board unanimously adopted the following positions regarding grievance waivers in federal public housing on May 8, 1989.

1. Grievance hearings should not be waived for any tenants. Every tenant faced with eviction should have a right to a grievance hearing before going to court.

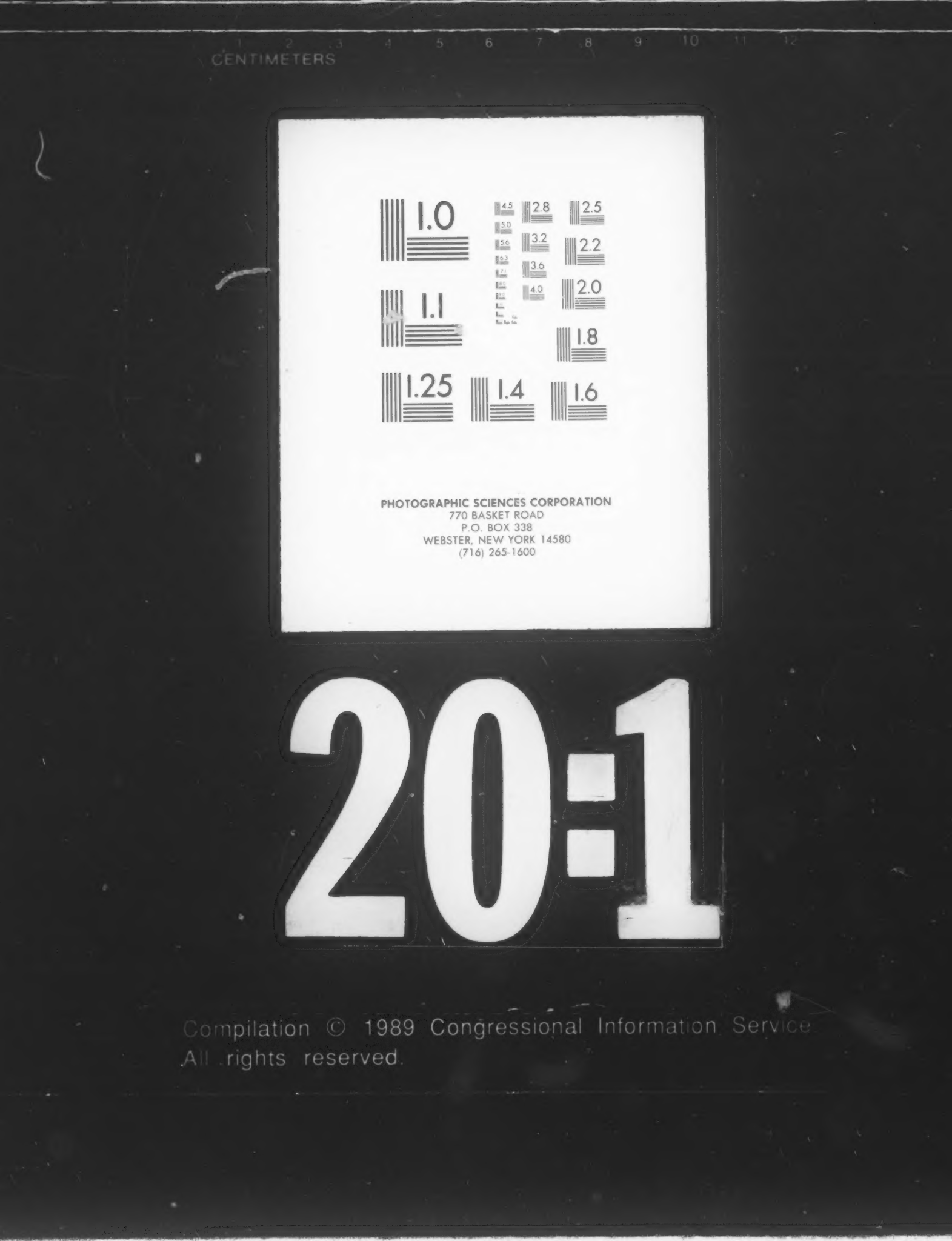
2. HUD decision to permits housing authorities to immediately annul a lease pursuant to G.L. c. 139 §19 does not give tenants reasonable notice of termination

3. Tenants were not given an opportunity to comment on the due process reapplication in March 1989. The TUPHP should have a chance to comment on this determination.

4. Families should not be evicted for the activities of one family member unless the family was involved in and knew about the activity. Every effort should be made to resolve the problem with the problem family member rather than bringing an eviction action against the family.

5. Grievance panels are the most desirable forum for dealing with public housing evictions and give tenants a chance to resolve problems without going to court. A family in danger of being rendered homeless through eviction should be afforded the safeguards of a grievance hearing.

6. The major reason for delay in eviction cases is that housing authorities fail to process grievances quickly and fail to use proper procedures. Grievances need not cause substantial delay in evictions.



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